



# ***Daily Report***

## **China**

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# Daily Report

## China

FBIS-CHI-91-248

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26 December 1991

**NOTICE TO READERS:** An \* indicates material not previously disseminated in electronic form.

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## General

### U.S. Recognizes Soviet Republics' Independence

OW2612071891 Beijing XINHUA in English  
0435 GMT 26 Dec 91

[Text] Washington, December 25 (XINHUA)—U.S. President George Bush today extended recognition of independence to all former Soviet republics, but said that the United States will establish diplomatic ties with six of them at present.

In a nationwide televised speech, Bush said "the United States applauds and supports the historic choice" by the former Soviet republics to form the Commonwealth of Independent States.

"Despite a potential for instability and chaos, these events clearly serve our national interest," Bush said, "the challenge for us now is to engage these new states in sustaining the peace and building a more prosperous future."

Bush said that the United States will support Russia's assumption of the Soviet Union's seat in the U.N. Security Council and sponsor membership in the United Nations for Armenia, Kazakhstan and Kyrgyzia.

He said that the U.S. Embassy in Moscow will remain as its embassy to Russia and that the United States will move quickly to establish diplomatic relations with Ukraine, Armenia, Kazakhstan, Belarus and Kirghizia, based on their commitments and assurances on "nuclear safety, democracy and free markets". The United States will not establish diplomatic relations with Moldova, Turkmenistan, Azerbaijan, Tajikistan, Georgia and Uzbekistan until "they have made commitments to responsible security policies and democratic principles", he said.

In his brief speech, Bush also acknowledged that Americans are "facing challenges here at home", referring to the economic recession.

"I want all Americans to know that I am committed to attacking our economic problems at home with the same determination we brought to winning the cold war," he said.

Bush said that a free and prosperous global economy is essential to America's prosperity and vowed to fight for "free and fair trade" in the world.

### DPRK Envoy on Honecker's Medical Treatment

SK2012023091 Beijing Radio Beijing in Korean  
1100 GMT 18 Dec 91

[Text] Chu Chang-chun, DPRK ambassador to China, gave a news conference this morning at his embassy, regarding the medical treatment in Korea of Erich Honecker, former chairman of the GDR Council of State.

Ambassador Chu Chang-chun said: According to a foreign report, the Russian Government has notified Erich Honecker, who is under medical treatment in the USSR, to leave by 13 December. Under these circumstances, he, through the Korean Embassy in the USSR, expressed his hope to go to Korea for medical treatment.

Ambassador Chu also said: It is natural for Korea to accept his request from the humanitarian viewpoint. Thereby, it has decided to bring him to Korea for his medical treatment and informed the governments of the USSR and Russia. In addition, Korea has called on them to cooperate and to help him departure from the USSR.

In answering a question by a German reporter on whether Korea's acceptance of Honecker may affect relations between Korea and Germany, Ambassador Chu said that Germany has not yet lodged a protest with the Korean side on this issue.

He continued: The issue, proceeding as it does from humanitarian principle, will not affect relations between the two countries. I believe that Germany will not act against humanitarian principle.

In conclusion, he emphasized: Honecker does not seek asylum in Korea. Additionally, the Korean Government has not received such a proposal from him. In connection with Honecker's entering Korea for medical treatment, the ambassador expects that relevant officials will react positively from humanitarian principle.

### Hainan Hosts International Financial Reform Forum

OW1712153591 Beijing XINHUA in English  
1433 GMT 17 Dec 91

[Text] Haikou, December 17 (XINHUA)—An international forum on reform of China's financial system opened today in Haikou, capital of Hainan Province.

Experts and professors from Britain, Japan, South Korea, Thailand, Taiwan and several Chinese cities and special economic zones participated in the four-day forum.

The forum is sponsored by the State Commission for Restructuring the Economy, People's Bank of China, the World Bank, Development Programme of the United Nations, and the International Monetary Fund.

The forum will discuss China's financial system reform in the 1990s, perfecting the central bank's regulation of the economy, stimulating growth of China's economy, and developing China's financial markets and more.

An official of the State Commission for Restructuring the Economy introduced China's achievements on financial system reform and put forward some problems encountered by the state.

During the forum, overseas experts and professors from Japan, South Korea, and Taiwan will share their experiences on financial administration.

**Beijing Hosts International Culture Symposium**

*OW1712094691 Beijing XINHUA in English  
0924 GMT 17 Dec 91*

[Text] Beijing, December 17 (XINHUA)—An international symposium on cultural relations opened in Beijing Monday.

Experts and scholars from Japan, India, the United States, Germany, Australia, Poland and the Soviet Union as well as their Chinese counterparts are attending the three-day symposium.

The symposium has received more than 60 theses.

The agenda centers on exchanges between the cultures of the East and West.

**United States & Canada****WEN WEI PO on Property Rights Talks**

*HK2612091291 Hong Kong WEN WEI PO  
in Chinese 26 Dec 91 p 2*

[Editorial: "Problem of Intellectual Property Rights Should Be Rationally Solved"]

[Text] Sino-U.S. talks on protecting U.S. intellectual property rights ended on the 22d, leaving differences unsettled. Both sides agreed to hold another round of talks on 8 January next year.

Immediately before the talks, the U.S. side assumed the pose of forcing China to accept an agreement in its favor. First, the U.S. side only sent Assistant Trade Representative Joseph Massey, rather than his superior Carla Hills, to Beijing to attend the talks. Second, the U.S. side threatened China with setting a 16 January deadline for the latter to make concessions. If no agreement is reached by 16 January, they said, the U.S. will impose 100 percent tariffs on some Chinese exports to the U.S..

The U.S. strategy is that the talks can only result in China meeting U.S. demands. Otherwise China will be punished. The U.S. side refused to negotiate with China on an equal footing, thus creating unnecessary obstacles for the talks.

The Chinese side, however, sent a delegation headed by Deputy Minister Wu Yi and including two additional senior experts, one of whom was director of the state patent bureau and the other director of the state copyright bureau, to carry out talks with the U.S. side. China was serious about the negotiations. The talks lasted 10 hours, but produced no results. The Chinese advanced a new document, but the U.S. side maintained the document failed to include more positive suggestions. Accordingly the talks ended in failure.

The U.S. side continued to exert pressure concerning patent rights of chemicals and pharmaceutical products, demanding China offer protection in accordance with

U.S. standards. China, however, expressed the opinion that it has protected the patent rights of pharmaceutical products in accordance with international standards. The U.S. side, it said, cannot regard U.S. standards as international standards. The two sides should resolve problems concerning intellectual property rights in line with the international treaties they have both joined and will join rather than U.S. laws.

According to the U.S. side, China gives protection to patent rights in the process of production, but fails to provide enough protection while the products are in circulation. This accusation runs counter to the principles of international conventions. If any U.S. company believes that its intellectual property right is encroached upon, it can take legal action in accordance with China's laws, demand the violation be checked, or demand compensation. This is an internationally habitual practice of protecting patent rights. The U.S. side, however, insisted that the U.S. company does not need to register with China's patent office or take any legal action, while China for its part must absolutely protect U.S. patent rights in accordance with U.S. laws. Otherwise, they said, the United States would impose 100 percent tariffs on ordinary commodities exported by China, turning to other fields which are not related with patent rights. This virtually amounts to violating existing trade agreements and can only jeopardize the interests of both sides. The trade disputes between China and the United States should be settled in accordance with trade agreements already signed and on the basis of equality.

In tackling problems concerning intellectual property rights, the U.S. side intentionally linked the issue with politics. On the one hand, they tried to impose 100 percent tariffs on products made by state-run enterprises in an effort to force China to practice privatization; on the other, they said that the U.S. Congress would revoke China's most favored nation trading status for political reasons. Hence, the U.S. Government tried to force China to make concessions on the protection of U.S. intellectual property rights.

The United States violated China's sovereignty by raising the above two political demands, which have nothing to do with the problem concerning intellectual property rights. If China should yield to the political blackmail, more and more, or even countless, similar acts of blackmail would follow. It is not practical to force China to sign a humiliating agreement. Such a move does not comply with requirements of international law, nor will it help reach an agreement through negotiations on the basis of equality.

International trade can, as always, be expanded on the basis of equality and mutual benefit. The greater the trade volume, the greater benefits for both sides. If either side imposes retaliatory tariffs, it will be detrimental not only to itself, but also to its partner. International trade means economic activities which are of positive significance to the economies of both parties rather than one party giving alms to its counterpart. The two sides

should settle their disputes, if any, in accordance with the existing agreements and through consultation on the basis of equality and mutual understanding and accommodation. China has always attached great importance to developing trade with the United States and made vigorous, practical, and earnest efforts to settle disputes through negotiation. We hope the talks will be successful, but this in no way means that China will barter away sovereignty and that it will sign an agreement under duress. The Chinese Government still holds itself responsible for domestic enterprises and its nationals. It will not follow development formulas dictated by foreigners, because this impairs China's national dignity and basic interests. After all, the government cannot have its own way in disregard of the National People's Congress and the interests of the economic entity [jing ji hi ti li yi 4842 3444 1395 7555 0448 4135].

#### **Bush Urges Economic Growth in Christmas Message**

OW2312234191 Beijing XINHUA in English  
2228 GMT 23 Dec 91

[Text] Washington, December 23 (XINHUA)—U.S. President George Bush delivered his Christmas message today, stressing the need to create jobs and promote economic growth.

"My number one priority is jobs and economic growth, and I'm confident that we will succeed," Bush said.

He said the transportation bill he signed last week will "put hundreds of thousands of americans back in good jobs."

He assured the American public that his education initiative launched this year will help bring about "the world's best schools" and help American children "lead the next generation to a better future" by the end of this decade.

Bush said that his trip to Asia next week is designed to "fight for open markets and more opportunities for American workers, because exports abroad mean more jobs right here at home."

Bush briefly recalled what happened this year, describing the year as that of "dramatic change and challenge."

"We must capture that same spirit of belief in ourselves as we overcome hard times at home and build a foundation for lasting prosperity and peace," he added.

### **Soviet Union**

#### **'Text' of Spokesman's Statement on Republic Ties**

OW2512183991 Beijing XINHUA Domestic Service  
in Chinese 1605 GMT 25 Dec 91

[Text] Beijing, 25 December (XINHUA)—A Foreign Ministry spokesman issued a statement here today. Its full text is as follows:

In view of the fact that the republics of the former Soviet Union have all declared themselves to be independent

states, the Chinese Government, in line with the principle of noninterference in the internal affairs of other countries, respects the choices the people of these republics have made.

The Chinese Government is willing [yuan yi 1959 1942] to continue to fulfill its obligations set forth in all the treaties, agreements, and relevant documents it signed with the former Soviet Government and hopes the republics concerned will also continue to fulfill the obligations set forth in those instruments that the former Soviet Union signed with China.

The peoples of China and all the republics of the former Soviet Union have had long traditional friendly and amicable contacts. China is willing to maintain and develop friendly relations and cooperation with these republics on the basis of the Five Principles of Peaceful Coexistence.

#### **Delegation Departs for Trip to Russian Federation**

OW2512122391 Beijing XINHUA in English  
1216 GMT 25 Dec 91

[Text] Beijing, December 25 (XINHUA)—A Chinese Government delegation, led by Minister Li Lanqing of Foreign Economic Relations and Trade and Vice-Foreign Minister Tian Zengpei, left here today for a visit to the Russian Federation, Belarus, Ukraine, Uzbekistan, Kazakhstan and some other republics.

This was announced by a Chinese Foreign Ministry spokesman here today.

The spokesman said that the delegation will exchange views with the hosts on the development of bilateral relations and issues of common concern.

#### **Gorbachev Announces Resignation as President**

OW2512175091 Beijing XINHUA in English  
1734 GMT 25 Dec 91

[Text] Moscow, December 25 (XINHUA)—President Mikhail Gorbachev said in a televised speech today that he was resigning as president of the Soviet Union after nearly seven years in power.

"Given the current situation, with the formation of the Commonwealth of Independent States, I am ceasing my activities as president of USSR," said Gorbachev in the live address on television.

He also said he was unhappy about the failure to keep the Soviet Union together, adding that "events took a different course."

He said at end of his speech that "I resign with concern and hope."



**Further on Resignation**

OW2612063291 Beijing XINHUA in English  
0446 GMT 26 Dec 91

[Text] Moscow, December 25 (XINHUA)—Mikhail Gorbachev resigned today as the eighth and last leader of the Soviet Union, handing over the nuclear briefcase to Russian Federation leader Boris Yeltsin.

Gorbachev made his resignation speech on national television broadcast this evening, charging his decision was taken "on consideration of principle."

Gorbachev was elected Soviet president in March 1990.

"Due to the situation which has evolved as a result of the formation of the Commonwealth of Independent States, I hereby discontinue my activities at the post of president of the USSR," he said.

"I firmly came out in favour of the independence of nations and sovereignty for the republics. At the same time, I support the preservation of the union state and the integrity of this country," said Gorbachev.

But "the developments took a different way," he added, noting that the policy prevailed of dismembering this country and disuniting the state, which was something he couldn't agreed.

Gorbachev still insisted that the decisions of the Alma-Ata meeting should have been made on the basis of popular will.

However, Gorbachev said that "I will do all I can to ensure that the Alma-Ata agreements lead to a real concord in society and facilitate the exit out of the crisis and the process of reform."

Gorbachev charged that the collapse of statehood was the most ruinous aspect of the crisis caused by the August incident.

"I am worried about the fact that our people are losing their citizenships of a great country and the consequences would be grave for everybody," he said.

Meanwhile, Gorbachev spoke highly of his reforms while acknowledging that "there have been a lot of controversial, superficial and subjective judgments."

Gorbachev also evaluated the road Soviet Union had travelled since 1985.

"When I found myself at the head of the state, it already was clear that something was wrong in this country," he recalled.

He noted that in 1985, the Soviet people "were living much worse than people in the industrialised countries were living and we were increasingly lagging behind them" while the country had plenty of resources—land, oil and gas, other natural resources—and intellect and talent.

Gorbachev attributed the dilemma to that "this country was suffocating in the shackles of the bureaucratic command system."

"It found itself at the breaking point," he said, adding that "all half-hearted reforms—and there had been many—fell through, one after another. This country was going nowhere and we could hardly live the way we did. Everything should be changed radically."

"It is for this reason that I have never had any regrets, never had any regrets, that I did not use the capacity of general secretary just to reign in this country for several years," Gorbachev stressed.

"I would have considered it an irresponsible and immoral decision. I was also aware that to embark on reform of this calibre and in a society like ours was an extremely difficult and even risky undertaking. But even now, I am convinced that the democratic reform that we launched in the spring of 1985 was historically correct," he continued.

During his "transitional period", Gorbachev introduced the democracy, the multi-party system and the privatization in accordance with the principles of his new thinking, he said.

Gorbachev stressed that "the fundamental reforms in such a huge country, and with such a legacy, could not be carried out without any pain as well as difficulties and shocks."

At the end of his speech, Gorbachev expressed his gratitude together with best wishes to Soviet people.

**Gorbachev To Support Yeltsin After Resignation**

OW2512021091 Beijing XINHUA in English  
0150 GMT 25 Dec 91

[Text] Moscow, December 24 (XINHUA)—Soviet President Mikhail Gorbachev will continue to support leader of the Russian Federation Boris Yeltsin after his resignation, according to a source close to Gorbachev.

Gorbachev is expected to make his resignation announcement on at 7 p.m. (17:00 GMT) on Wednesday.

Gorbachev "plans to use all his prestige to win Western support for Russia and Yeltsin," the Russian news agency (RIA) quoted the source as saying.

In Gorbachev's own words, "I'll help him here while you (the West) will do it there," RIA continued.

Gorbachev believed that after his resignation Western aid would be "extremely important" to former Soviet republics, especially to Russia.

He appealed to Western leaders to help set up a stability fund for the rouble, the currency the newly established 11-member commonwealth has inherited from the former Soviet Union as their common currency.

The out-going Soviet president told Italian Ambassador to Moscow on another occasion today that the fate of the whole commonwealth will largely depend on the Russian Federation and its leadership.

He has "no intention of taking an opposition stand against the Russian leader," Gorbachev said.

About his future, the president said that he would head a social, economic and political study institution in efforts to attract "all healthy democratic forces" to a most ideal solution to the current acute problems.

Or else, "the reform conception won't come true," he said.

Meanwhile Russian leader Boris Yeltsin announced his "well-provided" treatments to Gorbachev after his recognition.

Under an agreement reached between the two leaders during their talks on Monday, Gorbachev will enjoy a monthly pension at the present 4,000 roubles (about 2,222 U.S. dollars) level, Yeltsin said.

Other guarantees include a dacha (villa), two limousines, 20 guards and attendants, as well as medical care.

#### **XINHUA 'Roundup' Discusses Demise of USSR**

OW2512144891 Beijing XINHUA in English  
1407 GMT 25 Dec 91

["Roundup" by Shao Jin and Cui Shaochun: "Commonwealth Spells Demise of Soviet Union"]

[Text] Beijing, December 25 (XINHUA)—Presidents of 11 former Soviet republics signed on Saturday a number of documents forming a Commonwealth of Independent States, signalling the final demise of the 69-year-old USSR.

Mikhail Gorbachev, whose "new thinking," "glasnost" and "political pluralism" have brought political chaos, ethnic strife and economic crises, is expected to announce his resignation as president of the old union on Wednesday, ending his plans for the creation of a "Union of Sovereign States."

The commonwealth, according to the documents reached in the Kazakh capital of Alma-Ata, is neither a state entity, nor is it a super-national organization, although it may have a coordination body. Rather, it is a grouping of various sovereign states based on "total equality."

That was very much different from Gorbachev's draft New Union Treaty, which proposes the setup of a confederation of sovereign republics with a central government and a president who acts as commander-in-chief of a unified armed force.

The disintegration of the Soviet Union followed turbulent changes in recent years, when the Soviet Union was rocked by political instability, economic slump and rising ethnic strife.

At an extraordinary session of the Soviet parliament on March 15, 1990, the article on the Communist Party's leading role in the Soviet society was discarded from the country's Constitution.

During the next two months following the constitutional amendment, the three Baltic republics, Estonia, Latvia and Lithuania, declared their independence.

In the face of aggravating ethnic conflicts, the Soviet Government moved to draft a new union treaty in the summer of 1990.

More than 76 percent of the Soviet citizens went to the polls voting for keeping the union in a referendum on March 17, 1991.

After protracted haggling, a draft new union treaty was released on August 14 and scheduled to be signed on August 20.

The draft, delegating more authority to the republics and changing the country's name from "the Union of Soviet Socialist Republics" to "the Union of Soviet Sovereign Republics." The abandoning of socialism further shocked the society and touched off the "August 19 Event."

Gorbachev voluntarily resigned as general secretary of the Central Committee of the Communist Party following the event and called on the Central Committee to disband. The Soviet Communist Party was eventually ordered to suspend its activities.

Meanwhile, the central government recognized the independence of the three Baltic states. More republics announced their independence.

Because of Ukraine's boycott, the signing of the new draft treaty scheduled for November 25 failed to materialize.

On December 1, citizens in Ukraine, the second most populous republic, voted overwhelmingly for independence from the union, accelerating the demise of the USSR.

A week later, presidents of Russia, Belarus and Ukraine met in the Belarussian capital of Minsk, signed a number of agreements on the establishment of the Commonwealth of Independent States, and announced that "USSR ceases to exist as an entity of international law and a geopolitical reality."

After emergency consultations, five other republics decided to join the commonwealth as "common founders."



Gorbachev got the news of the new commonwealth after Russian President Boris Yeltsin telephoned U.S. President George Bush about the move.

At first he opposed the formation of the Commonwealth of Independent States but later said if all the Soviet republics support it, he would respect the decision.

After the Alma-Ata meeting, leaders of the 11 republics wrote to Gorbachev, notifying him that the USSR no longer exists and that there would be no post of presidency in the commonwealth.

Since the signing of the Alma-Ata accords, the world public is concerned about the future of the commonwealth, which now groups Azerbaijan, Armenia, Belarusia, Kazakhstan, Kyrgyzia, Moldova, Russia, Tajikistan, Turkmenia, Uzbekistan and Ukraine. Georgia sent an observer delegation to the Alma-Ata meeting and its president said the republic was considering joining the commonwealth.

However, the signatory republics of the commonwealth still have "different interpretations" of the documents and there are many pending issues.

The Soviet newspaper KRASNAYA ZVEZDA (RED STAR) said: An agreement on the economic community of 12 republics was signed in Alma-Ata in October this year, but the document has now quietly become a fact of history, without any results.

"Can the new Alma-Ata political documents be effective and practical?" it asked.

"Only history can give the answer," the paper said.

#### **Column Says Gorbachev Brings About Own 'Demise'**

*HK2612053991 Hong Kong TA KUNG PAO  
in Chinese 26 Dec 91 p 2*

["Political Talk" column by Shih Chun-yu (2457 0689 3768): "Gorbachev Compelled To Step Down"]

[Text]

#### **Gorbachev Brought About His Own Demise [subhead]**

This morning Mikhail Gorbachev made a televised speech in which he announced his resignation as president of the Union of Soviet Socialist Republics. Although he himself announced the resignation, his post as president has in fact been abolished. On 8 December, Russia, Ukraine, and Byelorussia signed an agreement in Minsk on establishing a commonwealth of independent states, declaring: "As an international legal entity and a geographical and political reality, the USSR has now ceased to exist." Since the new commonwealth has no post for a president, Gorbachev has in fact been forced from power.

Gorbachev's political career was doomed as early as this August. In the "18 August" incident, a number of high-ranking party, government, and military leaders of

the Soviet Union tried to use force to compel Gorbachev to step down and to oppose a "new confederation" replacing the Soviet Union. That was indeed a crucial turning point. However, Gorbachev turned a deaf ear to their views. Later, his "Draft New Union Treaty," which was intended to perpetuate the central government, was rejected. The forces unleashed by Gorbachev went beyond his control. Russian President Boris Yeltsin and others declared the disintegration of the Soviet Union without even notifying him.

Gorbachev gradually weakened his own power base with his own policies and actions. Originally, he came to power as CPSU general secretary. Later on, he relinquished his post as chairman of the Supreme Soviet and became president of the Soviet Union. In August this year, however, he resigned as CPSU general secretary and dissolved the CPSU Central Committee with the result that the CPSU was ordered to halt all its activities. Thus it was only natural that Gorbachev finally lost his post as president.

#### **The Outcome of "New Thinking" Viewed**

In the period of Gorbachev's rise and fall, starting from the time Gorbachev first advocated his "New Thinking" until the collapse of socialist system in Eastern Europe and the Soviet Union, the dissolution of the CPSU, and the end of the Soviet Union, the Soviet Union disappeared as a world superpower.

If we reread a book entitled "Reform and New Thinking" written by Gorbachev during his early days in office, we will see that Gorbachev mentioned Leninism, socialism, the communist party, and Soviet. He noted in his book: "The essence of our reform is to combine socialism with democracy and restore to its totality Lenin's concept of building socialism both in theory and in practice." "I would like to emphatically point out once again: We are carrying out various reforms according to a socialist choice and within a socialist framework rather than searching for solutions to problems laid bare by realistic life outside the socialist framework. We will appraise our achievements and errors according to a socialist criterion. Those who are waiting to see us deviate from the socialist road will surely be disappointed."

Gorbachev went on in his book: "In the course of our reform, we are facing an extremely important task: To restore the role played by the Soviet as a body of political power organs and an indicator of a strong factor of socialist democracy. Now we are working for a full restoration of both prestige and powers to the Soviet and creating conditions for the Soviet to carry out positive and creative work worthy of its name."

Today we can compare what he wrote with what he actually did to see whether or not the goal he set forth was attained and whether or not he really worked toward the reforms he advocated.

### A Host of Serious Problems Have Been Left Over

Though he was compelled to step down in the end, Gorbachev has left behind a host of serious problems. Most serious of all is the problem of nuclear arms disposal, which has caused great international concern. Does the disintegration of the Soviet Union into several republics mean proliferation of nuclear weapons? Boris Yeltsin said yesterday that he will take over the "button" that controls nuclear weapons from Gorbachev. Yeltsin also stated that there is only one such button, which will only be "pressed" after all the republics in possession of nuclear weapons agree to do that.

Though a virtually welcome one, Yeltsin's statement has not yet dispelled all worries. The military command system of the "commonwealth of independent states" has yet to be perfected. In addition to Russia, Ukraine and Kazakh also possess nuclear weapons. Kazakh is still not confident enough to transport all its nuclear weapons to Russia. What the people all over the world want is to see the various republics join hands with the United States in working for total destruction of nuclear weapons and a doing away with the "button."

### Yeltsin Sees Commonwealth as Stabilizing Force

OW2512180591 Beijing XINHUA in English  
1700 GMT 25 Dec 91

[Text] Moscow, December 25 (XINHUA)—Russian President Boris Yeltsin stressed here today that the creation of a Commonwealth of Independent States is the only way of keeping Russia and other former Soviet republics stable.

Yeltsin, who was speaking at today's session of the Russian parliament, added that to consolidate the Commonwealth is a common duty of all its member states.

He said all the Commonwealth member states would enjoy equal rights as a founding member, and none would have privileges.

The most important thing was that the formation of the Commonwealth had averted "a chain reaction of mutual confrontation," he pointed out.

He also said that the four nuclear republics signed an agreement on nuclear weapons underlining that the four would pursue a common nuclear policy.

However, he told the meeting, the agreement reflected some divergencies among the signatories on the nuclear issue, including Kazakhstan's "special stand."

The Russian president also announced that discussions on the issues of setting up a coordinating organ for the Commonwealth and armed forces reforms would be among the topics of the Minsk summit of the Commonwealth on December 30.

### Gorbachev To Give Yeltsin 'Nuclear Briefcase'

OW2512003091 Beijing XINHUA in English  
2006 GMT 24 Dec 91

[Text] Moscow, December 24 (XINHUA)—Soviet President Mikhail Gorbachev will hand over the "nuclear briefcase"—ultimate control of the Soviet nuclear weapons—to Russian leader Boris Yeltsin.

This was announced by Yeltsin at a meeting here today with the editors-in-chief of the Russian newspapers.

Gorbachev will make his last televised speech as president tomorrow, in which he will announce his resignation, according to the announcement here.

Yeltsin said that Gorbachev will hand over the nuclear buttons to him immediately after the televised speech.

Under the agreement reached among the republics of Russia, Ukraine, Kazakhstan and Belarus in which nuclear weapons are deployed, Russian president should enlist approval from the leaders of the other three republics before he decides to use nuclear weapons.

### Russian Parliament Approves Nuclear Agreement

OW2512180491 Beijing XINHUA in English  
1620 GMT 25 Dec 91

[Text] Moscow, December 25 (XINHUA)—The Russian parliament today approved the agreement on nuclear weapons which was signed by leaders of Belarus, Kazakhstan, the Russian Federation and Ukraine in the Kazakh capital of Alma-Ata on December 21.

The four republics are the only four in the eleven-member Commonwealth of Independent States which are deployed with nuclear arms.

Under "The Agreement on Joint Measures With Regard to Nuclear Weapons," the four nuclear republics are committed not to use nuclear weapons first and the Russian president must consult with the other signatories if it is necessary to resort to nuclear arms.

Russian President Boris Yeltsin said earlier today that Soviet President Mikhail Gorbachev would immediately transfer the nuclear button to him once the agreement was endorsed by the Russian parliament.

### Soviet Parliament To Hold Final Session

OW2412174991 Beijing XINHUA in English  
1639 GMT 24 Dec 91

[Text] Moscow, December 24 (XINHUA)—The Soviet of Republics of the Supreme Soviet (the upper house of the Soviet parliament) decided today to hold its last session after the December 30 Minsk meeting of leaders of the Commonwealth of Independent States (CIS).

The last session is to be convened following approval of the Alma-Ata accord by the parliaments of the 11 former Soviet republics.

The Supreme Soviet will issue a declaration on the dissolution of the Soviet Union and the creation of CIS at the session.

It will also adopt a resolution on legal transition of administration and management bodies from the Soviet Union to members of CIS.

The Soviet parliament discussed the drafts of the declaration and resolution at today's meeting held in the Kremlin.

The current Supreme Soviet of Soviet Union was established in May, 1989 in accordance with the proposal of "parliamentary democracy" put forward by Mikhail Gorbachev.

#### **First Meeting of Commonwealth Leaders Opens**

*OW2412175191 Beijing XINHUA in English  
1559 GMT 24 Dec 91*

[Text] Moscow, December 24 (XINHUA)—The first meeting of heads of government of the new commonwealth opened here today to prepare a number of documents to be signed in Minsk, TASS reported.

Egor Gaydar, Russian first vice premier, delivered a report at the beginning of the meeting.

Among the problems likely to be discussed during the meeting are the revival of economic ties between the former republics of the Soviet Union, as well as price liberalization in Russia.

#### **Russia To Introduce Free Market Prices 2 Jan**

*OW2412175791 Beijing XINHUA in English  
1302 GMT 24 Dec 91*

[Text] Moscow, December 24 (XINHUA)—The Russian Federation will introduce free (market) prices on all capital and consumer goods and services on January 2, 1992, the TASS news agency reported today.

According to a resolution of the Russian Government circulated late Monday evening, there will be ceiling prices for both merchandise and services.

For example, prices on coal, oil and gas will go up by five times to the maximum, gasoline by three times while diesel fuel by 2.8 times.

Prices for electricity, central heating and hot water, food, and transportation will also register major hikes.

Authorities at different levels of the Russian Federation are given the right to lower the prices and tariffs on basic foodstuffs and services if necessary at the expense of local budgets.

#### **Russia To Replace USSR at United Nations**

*OW2512003191 Beijing XINHUA in English  
2356 GMT 24 Dec 91*

[Text] United Nations, December 24 (XINHUA)—The Russian federation is going to take the place of the Soviet Union at the United Nations, including the permanent seat in the U.N. Security Council.

Soviet Ambassador to the United Nations Yuliy Vorontsov told reporters this afternoon that he had handed over a letter from Russian President Boris Yeltsin to Virendra Dayal, chef de cabinet of the U.N. secretary-general, concerning the matter.

The letter, which has not been made public yet, informed the United Nations that Russia will be represented at the world body as the continuation of the Soviet Union and that Vorontsov has been appointed the Ambassador of the Russian Federation to the United Nations.

Vorontsov said he had presented his credentials and a Russian flag to Dayal.

He noted that no legal action is necessary at the United Nations as this replacement is not precedent setting.

While inheriting the Soviet Union's membership both at the United Nations and the Security Council, he added, Russia will also take over other obligations including financial ones.

The Soviet Union, which has contributed 10 percent of the U.N. budget, owed 46 million U.S. dollars in regular dues and 173 million dollars for peace-keeping operations as of October.

The Soviet Union has been divided into an 11-republic Commonwealth of Independent States, three independent Baltic States and an independent Georgia and its flag will come down from the Kremlin at the end of this year and thus mark the end of the union.

Soviet President Mikhail Gorbachev is reportedly to resign soon.

While the three Baltics—Estonia, Latvia and Lithuania—joined the United Nations in September and Belarus and the Ukraine are already U.N. members, other republics except Russia will have to apply for U.N. membership if they want to join.

#### **Moscow To Establish New Security Bureau**

*OW2512014991 Beijing XINHUA in English  
0119 GMT 25 Dec 91*

[Text] Moscow, December 24 (XINHUA)—The Moscow Municipal Administration decided today to form a social security bureau to combat the mounting crimes in the city, TASS news agency reported.

The city government announced that the new bureau will be under its command and Colonel Leonid Nikitin has been named head of the bureau.



The bureau will establish a 3,000-strong police force to maintain social order, protect the property of enterprises and the safety of the residents.

#### **Soviet Institutions Ordered To Cease Functions**

*OW2512021191 Beijing XINHUA in English  
0138 GMT 25 Dec 91*

[Text] Moscow, December 24 (XINHUA)—Soviet President Mikhail Gorbachev and Russian Federation President Boris Yeltsin ordered Tuesday all the union institutions to cease to operate by January 2.

The Soviet Presidential Press Service said that the order was made by the two leaders in accordance with the agreement reached in their meeting on Monday.

The institutions, including the organs affiliated to the Soviet president and the inter state economic committee, must stop their operation by January 2.

#### **People's Deputies Challenge New Commonwealth**

*OW2612071791 Beijing XINHUA in English  
0318 GMT 26 Dec 91*

[Text] Moscow, December 25 (XINHUA)—A group of people's deputies denounced today the formation of the new commonwealth as unconstitutional and proposed the convocation of a special session of the Congress of People's Deputies.

In a statement, the congress-proposing group said the documents released in Minsk and Alma-Ata contravened the constitutional procedure.

The deputies charged that it was "particularly unacceptable" that the republic leaders ignored the desire to preserve the Soviet Union expressed by most of the population in the national referendum earlier this year, the statement said.

The group warned against premature optimism over the formation of the commonwealth, saying that the foundation of the relations among independent states stipulated in the documents was not "concrete".

The congress-proposing group believed it was necessary to keep the parliamentary group of the soviet people's deputies as the only body to represent the people's interests.

It was necessary to call a session of the congress at any time, the group said.

Russia, Ukraine and Belarus first established the Commonwealth of Independent States in Minsk on December 8, then eight more republics joined the commonwealth in Alma-Ata on December 21.

#### **Moscow To Print New Banknotes, Issue New Coins**

*OW2512002891 Beijing XINHUA in English  
2241 GMT 24 Dec 91*

[Text] Moscow, December 24 (XINHUA)—Lenin's portrait will be preserved on the new 500-rouble banknote to be printed, TASS reported today.

According to state bank reports, coins of 50-kopek, as well as of one, five and ten-rouble denomination will also come into circulation as of December 26.

The 50-kopek and one, five and ten-rouble coins have the form of a circle with corresponding diameters of 18, 21, 24 and 25 millimeters.

#### **'Severe Fighting' in Tbilisi Leaves 30 Dead**

*OW2412133991 Beijing XINHUA in English  
1127 GMT 24 Dec 91*

[Text] Moscow, December 24 (XINHUA)—Severe fighting continued today in Tbilisi, the capital of Georgia, leaving 30 dead and more than 100 wounded, the TASS News Agency said.

Early this morning, the opposition led by former Chairman of the Georgian Council of Ministers Tengiz Sigua, used howitzers in their attacks against a government building where the Georgian President Zviad Gamsakhurdia and his family were hiding.

The president's adherents at once fired back with automatic firearms.

TASS quoted the Georgian foreign minister as saying that the president is in normal condition, and he is not prepared to leave the building.

The report said until six o'clock in the morning the fighting left 30 killed and more than 100 wounded from both sides.

The Tbilisi-Moscow air flights have already been cancelled.

#### **Traditional Military School Opens in Russia**

*OW2412032291 Beijing XINHUA in English  
0241 GMT 24 Dec 91*

[Text] Moscow, December 23 (XINHUA)—With the world loudly voicing its fears at Russia's enormous cache of advanced nuclear weapons, a traditional military school quietly opened its doors today just south of St. Petersburg.

The new school for cavalry units is housed in the residence of former Russian tsars at Tsarskoye Selo, or Pushkin, some 20 kilometers south of Russia's second city.

The class of 91 will receive courses on the traditional disciplines of Russian armies, the TASS News Agency reported.

Their curriculum will include formation drills, cavalry training, gymnastics and theology.

Some 100 boys, aged between 13 to 16, have signed up as the school's first recruits.

Students must pay tuition fees before enrolling in the school, TASS said.

But children of parents who had died serving their country were admitted free of charge, it added.

### Northeast Asia

#### Spokesman Lauds DPRK 'Denuclearization' Effort

OW2512134491 Beijing XINHUA in English  
1333 GMT 25 Dec 91

[Text] Beijing, December 25 (XINHUA)—China welcomes the efforts made by the Democratic People's Republic of Korea (DPRK) for the denuclearization of the Korean peninsula, a Chinese Foreign Ministry spokesman said here today.

He noted that on December 22, the spokesman of the DPRK Foreign Ministry issued a statement enunciating the position of the DPRK that it would sign an agreement on nuclear safeguards and accept nuclear inspections under the Treaty of Nuclear Non-Proliferation.

"We hope that the parties concerned will make joint efforts to achieve the objective of nuclear-free zone in the Korean peninsula at an early date," the spokesman said.

#### Ambassador Interviewed on Relations With Japan

HK2112040291 Beijing ZHONGGUO XINWEN SHE  
in Chinese 0715 GMT 17 Dec 91

[By Yang Guoguang (2799 0948 0342) and Wang Jian (3769 0256): "Sino-Japanese Relations in 1991—Interview With Yang Zhenya, Chinese Ambassador to Japan"]

[Text] Tokyo, 17 Dec (ZHONGGUO XINWEN SHE)—These two reporters asked Yang Zhenya, Chinese ambassador to Japan, to talk about Sino-Japanese relations in 1991. This diplomat, who is familiar with the Japanese situation, happily agreed and said that this year had indeed been a year of substantial achievement.

The year 1991 has been one of great significance to China and Japan, which will soon commemorate the 20th anniversary of the normalization of their diplomatic relations. When analyzing the trend of Sino-Japanese relations this year, Yang Zhenya said: Through the common efforts of China and Japan, the two countries have fully restored their relations and made great headway after overcoming some temporary difficulties. This finds expression in the following three aspects:

First, there has been an increase in mutual visits between leaders of the two countries. In the first half this year,

important Japanese officials visited China. They included ministers of finance, international trade and industry, and foreign affairs; and some important politicians, such as former Prime Ministers Noboru Takeshita and Yasuhiro Nakasone. In August, Japanese Prime Minister Toshiki Kaifu paid a formal visit to China, marking the full normalization of the two countries' relations. In the latter half of this year, Chinese leaders Zou Jiahua, Tian Jiyun, and others visited Japan. These mutual visits are continuing.

Second, top-level dialogue has activated bilateral exchanges and cooperation in different fields, with more content and a wider scope. There has been a marked increase in personnel exchanges between the two countries. The number of Japanese tourists to China is estimated at 600,000 this year, a record high since 1988. There were 128 pairs of friendship cities between China and Japan this year. This is without precedent in other countries. It is worth mentioning that there has been much progress in friendly exchanges between young people of the two countries. This shows there are successors to Sino-Japanese friendship.

Third, economic and trade cooperation between the two countries has grown. Sino-Japanese trade is expected to top \$20 billion this year, a record high. There are more Japanese investments and Japanese-invested enterprises in China. The third batch of Japanese yen loans is being used smoothly. In addition, both sides are exploring the possibility of hi-tech cooperation.

Yang Zhenya has engaged in diplomacy with Japan for many years, and been Chinese ambassador to Japan for three-and-a-half years. People find him composed, modest, and kind-hearted. But he is quick-witted and full of excitement when expressing his views.

When reviewing the development of Sino-Japanese diplomatic relations since their normalization almost 20 years ago, particularly when reviewing this year's Sino-Japanese exchanges, Yang Zhenya said with deep feeling that these facts had provided us with much enlightenment.

First, the announcement of the joint statement after the normalization of the two countries' diplomatic relations and the signing of the subsequent Sino-Japanese peace and friendship treaty served as the basic criteria for the two countries' relations. We can say that Sino-Japanese relations have developed along this course for the last 20 years. The general development of these relations is smooth except for some setbacks. This proves that the criteria are full of vitality and correspond with historical trends. As long as both sides continue to abide by these criteria, their relations will develop healthily, and they will coexist and strengthen their cooperation despite different social systems and concepts of value.

Second, amid the present changes in the international situation, strengthening friendship and cooperation between the two countries will benefit both sides and the people of both countries. This will also produce a positive impact on peace and stability in the world. Now



both countries frequently exchange their views on major international affairs of mutual concern. Proceeding from these positions, they are playing a positive role. This is quite beneficial.

Yang Zhenya pointed out thoughtfully: As a strong economic nation, if Japan can play a positive role in terms of economy, trade, science, technology, capital, and training talented people and continue to move along the road of peaceful development, it will find itself better received by people in Asian countries. There is much that Japan can contribute to the international community.

The Chinese ambassador to Japan was very interested in how to further develop Sino-Japanese economic and trade cooperation. Yang Zhenya stressed: Facts have proved that China and Japan are supplementary to each other in economic, trade, scientific, and technological cooperation. Each can provide what the other needs in developing their economies. There is great potential for development in this respect.

He pointed out: Over the last few years, Japan has really increased its investments in China, but these investments still account for a small percentage in its overseas investments. To tap its potential and promote its investments in China, mutual efforts are necessary. The Chinese side needs to improve its investment environment and work efficiency, whereas the Japanese side should take a wider view. In particular, its large and medium enterprises should play a leading role. For example, recently five big Japanese enterprises and banks signed agreements with Dalian on developing industrial zones in the city. This is a bold experiment and has brought cooperation in this field to a new level. If everything goes well, this will serve as an example. Moreover, the further development of the two countries' scientific and technological cooperation depends on Japan's relaxation of restrictions.

Yang Zhenya said that looking into the 21st century, he was optimistic about the prospects of Sino-Japanese relations and was full of confidence in Sino-Japanese friendship. He added: Of course, much remains to be done in this respect. Both sides should make great efforts together to promote the two countries' relations to a new level.

### **Southeast Asia & Pacific**

#### **Li Peng, Thai Businessman Discuss Cooperation**

*OW2412132791 Beijing XINHUA in English  
1307 GMT 24 Dec 91*

[Text] Beijing, December 24 (XINHUA)—Chinese Premier Li Peng said today that China will make it even more convenient for interested parties to engage in foreign economic cooperation projects with the country.

Li met this afternoon in Beijing with Kitti Damnoenchawanit, chairman of the Soon Hua Seng Group of Thailand, and told the entrepreneur that China's policies

of reform and opening to the outside world will remain unchanged for the long-term.

China welcomes overseas businesses to participate in various forms of cooperative projects, and will make it even more convenient for them to do so, according to Li.

Damnoenchawanit has worked for many years to strengthen the friendship between China and Thailand, and has supported development efforts in his hometown which is located in Guangdong Province.

The Thai entrepreneur is currently visiting China to discuss the establishment of a cooperative afforestation and paper production project with the city of Shanwei, Guangdong Province.

During today's meeting with the Chinese premier, he expressed a desire to contribute to the afforestation effort in coastal areas in southern China.

Li welcomed the involvement of the Soon Hua Seng Group in China's modernization drive, and praised Damnoenchawanit and other entrepreneurs from Thailand for their efforts to open businesses or participate in education projects in the country.

Li pointed out that Thai entrepreneurs have established many successful enterprises in China, and that vast potential still exists for cooperation with the country.

Concerning the group's cooperative project with the Shanwei city, Li said afforestation and paper production conform with China's current industrial policies.

Li said that considering the size of the project, the two sides should conduct in-depth feasibility studies in order to ensure its success, especially in the critical early stages.

#### **Thailand Not To Host Another SNC Meeting**

*OW2412080091 Beijing XINHUA in English  
0645 GMT 24 Dec 91*

[Text] Bangkok, December 24 (XINHUA)—Thai Foreign Minister Asa Sarasin has ruled out the possibility of Thailand hosting another meeting of the Supreme National Council of Cambodia (SNC).

Talking to local reporters here Monday, Asa said the four Cambodian factions are committed to holding the SNC meeting in Phnom Penh.

The SNC meeting scheduled on December 21 in Phnom Penh has been postponed because of continued violence in the Cambodian capital.

Asa said the current upheaval in Phnom Penh is an internal affair of Cambodia and the events there are not directly against the Khmer Rouge.

Thailand hosted the previous SNC meeting in Phatthaya, about 150 kilometers southeast of Bangkok, after

attacks on the leader of the Democratic Kampuchea Party Khieu Samphan at the end of last month in Phnom Penh.

Asa expressed his hope that the situation in Phnom Penh would return to normal as soon as possible.

He was optimistic that the peace process would be implemented according to the Paris peace agreement, as the United Nations has sent more staffers to Cambodia to monitor the transitional period leading up to election.

### **DKP Leaders Give Reasons for Postponing Return**

*OW2312164891 Beijing XINHUA in English  
1043 GMT 23 Dec 91*

[Text] Bangkok, December 23 (XINHUA)—Khieu Samphan and Son Sen, leaders of the Democratic Kampuchea Party (DKP) and members of the Supreme National Council (SNC) of Cambodia, have clarified why they have postponed their return to Phnom Penh.

In a statement dated December 22 and issued by Khieu's office here today, Khieu Samphan and Son Sen said that they originally planned to arrive in Phnom Penh Saturday to participate in the work of the SNC with Samdech Norodom Sihanouk as head of state and chairman of the SNC.

This scheduled trip has to be postponed because Sihanouk is of the view that as big demonstrations against corruption have taken place in Phnom Penh, it will be better that Khieu and Son should be waiting a little while pending the improvement of the situation in Phnom Penh, the statement said.

At an SNC secretariat meeting held in Phnom Penh Saturday with the participation of the chief liaison officer of the U.N. advance mission in Cambodia and the representatives of the five permanent members of the U.N. Security Council, Sihanouk informed those attending the meeting that he asked Khieu and Son not to arrive in Phnom Penh Saturday because the situation in the capital is worsening as a result of demonstrations and violence which have caused deaths, the statement said.

Khieu and Son said that because of big demonstrations against corruption, they have to wait one or two days and monitor the development of the situation.

They stressed that the DKP remains fully committed to its position to implement faithfully the whole process of the Paris agreement of October 23 to restore peace and independence in Cambodia.

### **Article Urges Implementing Cambodian Peace Accord**

*HK2412100191 Beijing RENMIN RIBAO in Chinese  
17 Dec 91 p 7*

["Yearend" article by Liu Zhengxue (0491 2973 1331) and Cheng Yuansheng (2052 0337 3932): "Cambodian Situation in Retrospect and Prospect"]

[Text] In 1991 Cambodia ushered in peace and achieved a settlement of the Cambodian issue.

On 23 October, the representatives of 18 countries and members of the Cambodia Supreme National Council [SNC] signed four documents in Paris, including a "Peace Treaty on a Comprehensive Political Settlement of the Cambodian Conflict." This was an important historical event. According to the spirit of the Paris treaty, in the transitional period before the general election in 1993, the SNC is the unique legitimate body and source of authority in Cambodia. Its headquarters is established in Phnom Penh, and its chairman is Prince Sihanouk. To ensure peace in Cambodia, the United Nations Transitional Authority in Cambodia [UNTAC] will participate in and supervise Cambodia's administration during the transitional period until the general election is conducted smoothly. In the meantime, it will take measures to ensure that all foreign forces withdraw from Cambodia, supervise a cease-fire, stop foreign military aid, and handle affairs concerning the armies of the four factions of Cambodia, so that the number of their personnel and equipment is reduced by at least 70 percent before the election. It will also organize and preside over the general election. On the questions of settlement of refugees and reconstruction of Cambodia, there are also concrete and appropriate arrangements in the four documents signed in Paris. Therefore, international media held that the signing of the peace treaty on Cambodia put an end to the disastrous 13-year war in Cambodia. It is of great practical significance to restoring Cambodia's independence and sovereignty and eliminating tension and conflicts in Southeast Asia. The political settlement of the Cambodian issue has also provided a successful example for a peaceful solution of regional conflicts and international disputes in the contemporary world, which is still mired in turbulence.

Cambodia has finally ushered in peace. This is a result of the common efforts made by the international community and various parties in Cambodia. In the autumn of 1989, the first session of the meeting on Cambodia was held in Paris, which was presided over by France and Indonesia. It set forth the basic target of realizing a comprehensive political settlement of the Cambodian issue. This was followed by the six rounds of consultations by the five permanent members of the UN Security Council in Paris and New York, at which a frame document was adopted on a comprehensive political settlement of the Cambodian issue, thus laying a foundation for the political settlement. Since last June, along with the profound changes in the international situation, the parties concerned in the Cambodian conflict have reached a common understanding: The Cambodian issue cannot be resolved by military means but must be resolved by political and peaceful means. Thus, putting their national interests above everything else, the various parties involved in the Cambodian conflict abandoned their previous hostility and held several SNC meetings in Jakarta, Phatthaya, Beijing, and New York, at which compromise was reached to pave the way for the signing

of the peace treaty in Paris. As a result, much headway was made in the peace process for a political settlement to the Cambodian issue.

On 14 November, Prince Sihanouk returned to Phnom Penh in his capacity as SNC chairman so that the SNC could begin operations. Meanwhile, the UNTAC also sent personnel to Cambodia. This symbolized that peace in Cambodia had entered the implementation stage of the Paris treaty. However, just as pointed out by Prince Sihanouk: "Cambodian peace is still rather weak, because everything will depend on the sincerity of various factions, especially the effectiveness of the UN supervision." On 27 November, a serious and violent incident occurred in Phnom Penh, in which Khieu Samphan, an SNC member, and others were injured. This incident interfered with the implementation of the peace treaty. As a result, the first meeting of the SNC, originally scheduled for 4 December, had to be postponed. The international community believes that this was by no means an accident. Hun Sen of the Phnom Penh side also admitted that they were "responsible" for the violence. Proposed by Prince Sihanouk, the SNC of Cambodia will hold a special meeting in Phatthaya, Thailand. All SNC members agreed that they would not allow the "27 November" incident to occur again and that the SNC should begin operations in Phnom Penh as soon as possible. The occurrence and timely solution of this incident proves that the Cambodian question cannot really be solved if any of the four factions in Cambodia is excluded for any reason, nor can peace and stability be maintained. It also shows that the United Nations should play a positive role in supervising the implementation of the peace treaty.

We must realize that implementing the peace treaty on Cambodia is an onerous and complicated work. The Cambodian war lasted more than 10 years and various factions had a deep hatred for each other. In addition, there are still differences among them on the interpretation of some principles in the peace treaty. Various factions are required to take the overall situation into consideration and to seek unanimity as soon as possible in implementing the treaty. Moreover, organization of the UNTAC will also take some time. It will be faced with very arduous tasks, including repatriation of the 350,000 refugees from outside Cambodia and helping Cambodia to rebuild its economy.

Cambodia followed a tortuous road during the past year, but peace prospects finally appeared. People are expecting various factions of Cambodia to make continuous efforts to coincide with the will of the Cambodian people, to become united, and to rebuild their homeland under the leadership of Prince Sihanouk in order to build Cambodia into an independent, peaceful, neutral, non-aligned, and prosperous new country as soon as possible.

#### Article Views Impact of Cambodian Peace Agreement

HK2412045391 Hong Kong LIAOWANG OVERSEAS  
EDITION in Chinese No 50, 16 Dec 91 p 28

[By Yang Mu (2799 2606): "Basic Settlement of Cambodian Issue Creates Extensive Influence"]

[Text] The year 1991 is a year marked by drastic changes in international relations and some of the greatest events to occur since the end of World War II. The basic settlement of the Cambodian issue after 12 years and 10 months is one of these major events, and its impact is extensive.

The overall political settlement of the Cambodian issue could be divided into two stages: The first stage started in July and August 1989, when the Paris International Conference on Cambodia was held, to 23 October this year, when a peace agreement was signed in Paris. That was a stage of international negotiations and a stage of consolidating the achievements of the negotiations in the form of law. The second stage started from 14 November when Prince Sihanouk returned to Phnom Penh and the Cambodian Supreme National Council began operation. This stage will be a transitional stage, which will continue until a general election is held in 1993. The central task of this stage is to carry out the Paris peace agreement under the supervision of the United Nations and the condition of international assurance. The tasks for the transitional period are arduous. The key problem is whether the four parties in Cambodia will bury the hatchet, value the national interests above everything else, reach a national compromise, and unite and look forward. Because of the parties' deep hatred for one another in the past and some external influences, a complicated situation characterized by both unity and contradictions will appear in the transitional period. The focus of struggle will be whether various parties have the sincerity in strictly carrying out the peace agreement. According to the agreement, the Supreme National Council [SNC], which is the temporary power organ of Cambodia, should be composed of the representatives of the four parties, not excluding or endangering any of them, with Prince Sihanouk as the chairman. However, on 27 November, a serious incident occurred in Phnom Penh in which the residence of SNC members from Democratic Kampuchea was violently attacked. Khieu Samphan, SNC member from Democratic Kampuchea, was injured, while the security of another member, Son Sen, and other working personnel was seriously endangered. They were all forced to leave for Bangkok. That seriously interfered in the peace agreement. Despite the obstructions and sabotages, the peace progress in Cambodia cannot be reversed. The agreement is an outcome of international consultation and national compromise, which goes with the world trend and the will of the Khmer people. It has a solemn international guarantee, and no one is allowed to go against it. Peace in Cambodia has not come easily. It will naturally be treasured and protected. Going backwards would mean hopelessness.



What influence will the basic settlement of the Cambodian issue create? First, it implies the end of a flash point from regional war. Since the end of World War II, fighting has continued in Asia. The end of the Cambodian war will contribute to peace and stability in Indochina, Southeast Asia, and the Asia-Pacific region. Of course, if anyone wants to restart a war in Cambodia, he will surely be severely condemned.

Second, the basic settlement of the Cambodian issue has led to the normalization of relations between China and Vietnam. Relations between China and Vietnam became abnormal following Vietnam's invasion of Cambodia on 25 December 1978 and the breakout of the Cambodian war. The Chinese Government repeatedly stated that the settlement of the Cambodian issue would be a precondition for normalizing relations between the two countries. On 5 November, only 13 days after the signing of the Paris peace agreement on Cambodia, the top leaders of China and Vietnam met in Beijing and declared normalization of relations between the two countries. This was followed by the signing of a trade agreement and a provisional agreement concerning border affairs and the announcement of a Sino-Vietnamese joint communique.

Third, the end of the Cambodian war provides an opportunity for reconstruction and economic development by the countries of Indochina. The winds of peace and development have entered the vast lands of the Indochina Peninsula, which has tasted the full bitterness of war. Cambodia has been ruled and enslaved by colonialism and imperialism for nearly 100 of the past 130 years, with the Khmer people enjoying national independence for only some 30 years. Now the Cambodian people eagerly need to rebuild their destroyed homeland. Vietnam hopes to extricate itself from the heavy burden of war and develop its economy. Laos is also stepping up the pace of its development. The settlement of the Cambodian issue provides an opportunity and brings a challenge to the Indochina Peninsula. Foreign aid, investment, and development will follow one after another. How to adjust policies to meet this situation will be a new subject to be tackled by the Indochinese countries.

Fourth, the six ASEAN countries have made positive contributions to the solution of the Cambodian issue. Historically, they have maintained natural political and economic relations and friendship with the Indochinese people. The basic settlement of the Cambodian issue has further promoted these relations. Now economic and trade cooperation and contracts between the ASEAN countries and Indochinese countries have started to thrive, bringing new vitality to Indochina, which features rich land and water resources but needs full-scale reconstruction.

Fifth, the trend of economic development in Northeast Asia, East Asia, and Southeast Asia is quite good. Economic regions and groups are expanding throughout Asia. The basic settlement of the Cambodian issue has promoted a closer relationship between the ASEAN

countries and the three Indochinese countries. The economic circles of Japan and the "four little dragons" of Asia also are focusing their attention on Indochina. The restoration and development of the Indochinese economy will in turn promote the economic development of Asia.

Sixth, Indochina occupies an important strategic position. In the past, it suffered from aggression and plundering by colonialism and imperialism and provided military bridgeheads for certain large powers. Now, the forces of some Western powers are attempting to return to Indochina and are vying with one another to grab the natural resources, markets, and cheap labor of this region. These tendencies are attracting people's attention. Facts have yet to prove whether the Five Principles of Peaceful Coexistence can be respected and the new relations based on equality and mutual benefit can be established.

### Near East & South Asia

#### 'Roundup' on Jordan's Effort To End 'Isolation'

OW2212100891 Beijing XINHUA in English  
0927 GMT 22 Dec 91

["Roundup" by Fu Weijian: "Jordan Readjusts Foreign Policy After Gulf War"]

[Text] Amman, December 22 (XINHUA)—Jordan has adopted a more realistic and moderate foreign policy in an effort to adapt itself to the changing situation in the Middle East following the Gulf war.

Jordan's pro-Iraq stand during the Gulf war has made the Kingdom lose financial supports from Arab and Western countries and left it almost friendless in the Arab world. To lift itself out of isolation, Amman began to readjust its foreign policy immediately after the war.

It responded positively to the U.S. initiative for direct negotiations between the Arabs and Israel. The Jordanian Government agreed to umbrella a Palestinian negotiating team under the joint Jordanian-Palestinian delegation to get around the Israeli rejection of separate Palestinian representation.

However, it insists on settling the Arab-Israeli dispute on the basis of U.N. Security Council Resolutions 242 and 338 and the principle of trading land for peace.

To win political and economic support, King Husayn embarked on shuttle diplomacy tours to a number of West European countries to explain Jordan's position and exchanged views on the Middle East peace process.

The formation of Tahir al-Masri cabinet last June was seen as a move to pave the way for Jordan's participation in the Middle East peace talks. However, al-Masri and his cabinet met with strong opposition from the Muslim Brotherhood. The fundamentalist group rejects any

negotiations with Israel and regards armed struggle as the only means for the liberation of Palestine.

Jordan also tried to improve its ties with those Arab countries which sided with U.S.-led multinational forces against the Iraqi invasion of Kuwait. King Husayn has maintained telephone contacts with Egyptian President Hosni Mubarak and Syrian President Hafiz al-Asad.

The king also visited Damascus to coordinate Arab stand in the peace talks and better bilateral ties.

Many Arab countries welcomed Jordan's move to repair relations. The Saudi Arabian Government decided in October to open its borders to Jordanian trucks. The borders were closed during the Gulf war, disrupting the operation of some 3,000 vehicles along Amman-Riyadh road and causing Jordan an economic loss estimated at millions of U.S. dollars.

King Husayn expressed his gratitude to Riyadh for the decision in his annual speech from the throne. He also urged the new cabinet of al-Sharif Zayd Bin-Shakir to foster ties of closer cooperation with Saudi Arabia and mend relations with other Arab countries.

As an award for its role in the Middle East peace process, the United States provided Jordan with 246 million dollars in humanitarian aid and released a 57.2-million-dollar package of economic and military aid to the Kingdom which was frozen during the Gulf war.

In addition to 1.3 billion dollars worth of international assistance, Washington also assured Amman it would double its aid in the coming fiscal year to help Jordan tide over the economic difficulty caused by soaring foreign debts of more than 8.3 billion dollars and the influx of over 300,000 Jordanian and Palestinian expatriates into the country following the Gulf crisis.

Jordan's foreign policy readjustment also won its loans from West European countries.

Meanwhile, Jordan has taken measures to encourage exports, stimulate production and attract more investments. The government has also tried to cut expenditures and reduce unemployment, stagnation and the imbalance of payment.

According to official statistics, Jordan's foreign currency reserves have surged from fairly big deficits during the Gulf-war time to a surplus of more than one billion dollars over the past few months. The Kingdom's economy as a whole shows signs of steady improvement.

#### **Vice Foreign Minister on Visit to Israel**

WA2412134091

For Israeli media reportage on the visit by Yang Fuchang, PRC vice foreign minister, to Israel, including reports on his talks with the Israeli prime and foreign

ministers, please see the Israel section of the 24 December Near East and South Asia DAILY REPORT and subsequent issues.

### **Sub-Saharan Africa**

#### **Benin Foreign Minister Holo Pays Official Visit**

##### **Spokesman Announces Visit**

OW2312035691 Beijing XINHUA in English  
0219 GMT 23 Dec 91

[Text] Beijing, December 23 (XINHUA)—Minister of Foreign Affairs and Cooperation of the Republic of Benin Theodore Holo will pay an official visit to China from December 25 to 28 at the invitation of Chinese State Councillor and Foreign Minister Qian Qichen, a Foreign Ministry spokesman announced here today.

##### **Holo Arrives 25 Dec**

OW2512184491 Beijing XINHUA in English  
1417 GMT 25 Dec 91

[Text] Beijing, December 25 (XINHUA)—Theodore Holo, minister of foreign affairs and cooperation of Benin, arrived here this evening on a three-day official visit to China.

Holo is here as guest of Chinese State Councillor and Foreign Minister Qian Qichen.

##### **Meets Qian Qichen**

OW2612084291 Beijing XINHUA in English  
0818 GMT 26 Dec 91

[Text] Beijing, December 26 (XINHUA)—Chinese State Councillor and Foreign Minister Qian Qichen held talks here today with Theodore Holo, minister of foreign affairs and cooperation of Benin.

They exchanged views on the bilateral relations, the international situation and other issues of common concern, and reached a consensus of opinions on a wide range of subjects.

According to sources at the Chinese Foreign Ministry, Qian extended a warm welcome to Holo and said he believed the current visit by Holo would surely deepen the understanding and friendship between China and Benin and between their peoples, and would promote bilateral friendship and cooperation on a broader scale.

Qian noted he appreciated the Benin Government's efforts to safeguard its national unity, realize the national stability, develop the national economy and improve the people's living standard.

During the talks, the two foreign ministers held useful discussions on promoting the friendly cooperative ties between the two countries and expressed satisfaction with the healthy development of such ties since the two countries established diplomatic relations 21 years ago.



Qian said China hopes this relationship will be further enhanced and strengthened and is willing to explore more ways of cooperation.

Holo invited Qian to visit his country. Qian accepted it with pleasure.

They also briefed each other on the situations in their respective countries.

### **Qian Views 'Major Events' of 1991**

*HK2612111491 Beijing ZHONGGUO XINWEN SHE in Chinese 0751 GMT 26 Dec 91*

[By Li Wei (2621 0251): "Qian Qichen Says Three Major Happenings Around the World This Year Have Profound Impact on Future Development of International Relations"]

[Text] Beijing, 26 Dec (ZHONGGUO XINWEN SHE)—This morning, Qian Qichen, Chinese state councillor and foreign minister, said: The international situation, including that of Africa, is undergoing major changes. Three major events this year; namely, the Gulf war, the disintegration of the Soviet Union, and the civil war in Yugoslavia, will have a profound impact on the future development of international relations.

Qian Qichen made this remark when meeting with Holo, minister of foreign affairs and cooperation of Benin.

It is said that the two foreign ministers exchanged views and reached extensive consensus on such issues as bilateral relations and the international situation.

Qian Qichen pointed out: Under current circumstances, world unification will not work, and it is especially important to strengthen South-South and regional cooperation.

He said: As long as a country is politically stable and its economy is developing, it will have more friends in the international arena.

Qian Qichen expressed his hope that the Western Sahara issue can be settled peacefully and that progress can be made at the Middle East peace conference. He also said that the Chinese people respect the choice of the people of Benin and are happy to see Benin stabilizing.

Holo gave a brief account of Benin's domestic situation, especially its political situation in the past year.

He said: Benin pays close attention to the development of China's economic reform and China's experience in reform is worth learning for Benin.

Holo extended an invitation to Qian Qichen to visit Benin, which Qian happily accepted.

The two foreign ministers both expressed satisfaction over the development of bilateral relations since the two countries established diplomatic ties 20 years ago. Holo

said: The relationship between Benin and China is a fine example of South-South cooperation.

Holo and his party arrived here yesterday evening for an invited visit. This is the first important delegation sent by the new government of Benin to China.

### **Zimbabwean Air Force Commander Meets Wang Hai**

*OW2412175591 Beijing XINHUA in English 1315 GMT 24 Dec 91*

[Text] Beijing, December 24 (XINHUA)—General Wang Hai, commander of Air Force of the Chinese People's Liberation Army, met with and hosted a dinner in honor of Air Marshal Josiah Tungamirai, commander of Air Force of Zimbabwe, and his party at the Great Hall of the People here this evening.

Zimbabwe guests arrived here yesterday for a visit at the invitation of Wang Hai.

### **Speaks With Chi Haotian**

*OW2512133991 Beijing XINHUA in English 1226 GMT 25 Dec 91*

[Text] Beijing, December 25 (XINHUA)—General Chi Haotian, chief of General Staff of the Chinese People's Liberation Army, met with Air Marshal Josiah Tungamirai, commander of the Zimbabwean Air Force, here tonight.

Chi expressed conviction that the ten-day visit of Tungamirai would help to push forward the traditional friendship between the two peoples and the two Armed Forces of China and Zimbabwe.

Tungamirai, who arrived on Monday, thanked the host for the warm reception accorded him.

After the meeting, Chi hosted a dinner in honor of the visitor.

Present at the meeting and dinner were He Qizong, deputy chief of general staff of the Chinese People's Liberation Army, and Wang Hai, commander of the Chinese Air Force.

### **Ivorian Prime Minister Receives Delegation**

*OW1812143791 Beijing XINHUA Domestic Service in Chinese 0346 GMT 17 Dec 91*

[Text] Abidjan, 16 Dec (XINHUA)—The Prime Minister of Ivory Coast, Alassane Ouattara, said here this afternoon that his country wishes to further strengthen and promote cooperation with China.

At the meeting with a Chinese education delegation led by Zou Shiyan, vice minister in charge of the State Education Commission, Ouattara added that Ivory Coast has a lot to learn from China in the field of economic development. He also extended a warm welcome to the delegation and asked Zou Shiyan to convey his greetings to Premier Li Peng.

Zou Shiyan said: During its visit, the delegation has noticed the great successes in construction achieved by the Ivory Coast. China also has a lot to learn from the Ivory Coast's experience in the field of education. He said that the 1991-93 Sino-Ivorian Educational Cooperation Program signed this afternoon will lay the foundation for exchange in the realm of education between the two countries.

The Chinese education delegation arrived in Abidjan on the afternoon of 14 December for a four-day visit to the Ivory Coast. This afternoon, the delegation paid a courtesy call to the Foreign Minister Amara Essy, and held talks with Salif N'Diaye, minister of scientific research, professional training and technical education.

**Kenyan Vice President Meets Women's Delegation**

*OW2012081291 Beijing XINHUA Domestic Service  
in Chinese 0320 GMT 19 Dec 91*

[By reporter Wang Jinyu (3769 6855 0151)]

[Text] Nairobi, 18 Dec (XINHUA)—Kenyan Vice President George Saitoti met 18 December with a Chinese women's delegation, and expressed the hope that women in Kenya and China will promote their cooperation and contacts.

Saitoti said: The Kenyan Government is paying attention to women's roles, and is striving to have women participate in economic construction. He said he hoped that women from both countries can learn from each other and help make up each other's deficiencies.

The Chinese women's delegation, headed by Huang Qizao, vice president and first secretary of the Secretariat of the All-China Women's Federation, arrived in Kenya 12 December for a seven-day official visit. During the visit, the Chinese women's delegation heard a briefing on Kenya's experience in sponsoring the Women's World Congress in 1985.

## Political & Social

### Guangdong Officials To Release Hong Kong Resident

HK2612035491 Hong Kong WEN WEI PO in Chinese  
26 Dec 91 p 12

["Special dispatch" from Guangzhou by staff reporter Kuan Chi-yun (7070 7871 0061): "Guangdong Judicial Organ Confirms Release of Liu Shan-Ching Today; To Return to Hong Kong in 1-2 Days"]

[Text] Guangzhou, 25 Dec (WEN WEI PO)—Guangdong Province's judicial organ today confirmed that Hong Kong resident Liu Shan-ching will be released from jail tomorrow after completing his prison term and will return to Hong Kong in two days' time. Liu was sentenced to prison 10 years ago after being found guilty of violating Chinese laws. While in prison, he received special treatment.

The person in charge at Guangdong Province's Labor Reform Bureau agreed to be interviewed by this reporter today and discussed Liu Shan-ching's prison conditions.

Liu Shan-ching was arrested according to law on 27 December 1981. On 21 February 1983, he was sentenced to a 10-year jail term and stripped of his political rights for three years after the Guangzhou City intermediate people's court found him guilty of counterrevolutionary crimes. His prison term began the day of his detention. Consequently, his 10-year sentence came to an end on 26 December this year. Because he had basically abided by the administration and did not commit any major disciplinary infractions or new crimes, he will be released on schedule. The Labor Reform Bureau has already prepared an exit permit for Liu Shan-ching, and he may return to Hong Kong on the day or the day after his release from jail, depending on what he wants to do.

The person in charge also said that Liu Shan-ching was first detained at the Meizhou prison and was later transferred to the Huaiji prison. While in prison, except for being deprived of his political rights, he still enjoyed other legitimate rights, such as the right to appeal, right to a defense, right to sue, right to file a complaint, right to non-violation of his dignity, physical security, and legitimate property, as well as other rights which were not restricted by legal rulings or by his detention.

In line with humanitarianism and in view of Liu Shan-ching's previous living conditions in Hong Kong, he not only received the basic guarantees but also special attention and consideration. For instance, while ordinary prisoners receive a monthly food allowance of 41.46 yuan, Liu got 58.69 yuan. Aside from 18 kg of rice, 3 kg of edible oil, and 20 kg of vegetables that the state allotted to him, he was allowed to purchase other foodstuffs and nutritional supplements. He often had meat to eat and additional food for holidays, and could even do some cooking inside the prison. At the same time, he also received his ration of blankets and clothing. He could

listen to radio broadcasts and music and watch television. He received a copy of NANFANG RIBAO everyday. In addition, he was allowed to subscribe to dozens of journals, namely: RENMIN RIBAO, ZHONGGUO RIBAO, DIANZI SHIJIE BAO [ELECTRONICS WORLD JOURNAL 7193 1311 0013 3954 1032], NANFANG ZHOUMU [SOUTHERN WEEKEND 0589 2455 0719 2608], MANHUA BAO [CARTOON JOURNAL 3355 3973 1032], RENMIN HUABAO [PEOPLE'S PICTORIAL 0086 3046 3973 1032], MINZU HUABAO [NATIONALITIES PICTORIAL 3046 2469 3973 1032], YUWEN YUEKAN [LANGUAGE AND LITERATURE MONTHLY 6133 2429 2588 0436], ZHISHI HUABAO [KNOWLEDGE PICTORIAL 4249 6221 3973 1032], HUANQIU YINMU [WORLD SCREEN 3883 3808 6892 1612], LIANHUA HUABAO [CARTOON PICTORIAL 6647 3883 3973 1032], TIYU HUABAO [SPORTS PICTORIAL 7555 5148 3973 1032], JISUANJI SHIJIE [CALCULATOR WORLD 6060 4615 2623 0013 3954], and XUE YING YU [LEARN ENGLISH 1331 5391 6133]. While in prison, Liu also studied English, science and technology.

According to prison regulations, Liu Shan-ching was put in solitary confinement so that he would have a better environment and not be disrupted by other prisoners. He had a cell with a bed, a washroom, and a small courtyard outside his door, adding up to a total of 70 square meters in area. Each day, he had more than three hours of free activities and could plant flowers and vegetables in the courtyard or clean his place or engage in some physical exercise in order to regulate his life.

Liu Shan-ching's parents visited him eight times and were allowed to bring him goods, medicine, and science and literature books. His family was also allowed to send him money and letters. In the last 10 years, he and his family have written more than 200 letters to each other.

The prison gave him a monthly allowance of 5 yuan. Medical fees are taken care of by the state. Aside from occasional headaches and colds, Liu Shan-ching is in excellent health.

To educate Liu Shan-ching, the administrative personnel of the prison spent much time and energy talking to Liu.

His requests and opinions, as long as they were reasonable and could be solved, were dealt with promptly.

Over the past 10 years, he was never subjected to physical abuse.

The person in charge expressed hope that Liu Shan-ching has learned his lesson and that he would no longer engage in acts that violate Chinese laws and jeopardize the interests of the state and people.

Liu, 39, made several trips to Guangzhou and Shanghai from Hong Kong between 1980 and 1981, and financed the publication of illegal journals which advocated the overthrow of the Chinese Government and the socialist



system. He also instigated, plotted, and took part in the establishment of illegal organizations that called for the overthrow of the Chinese Government and socialism. The aforementioned acts were in violation of the penal law of the PRC.

Liu Shan-ching was arrested on the order of the Guangzhou City People's Procuratorate on 5 January 1982 and, after an open trial by the Guangzhou City intermediate people's court, was sentenced to a 10-year prison term.

#### Daily Notes Police Suppress 30 'Riots' in 1991

HK2612084891 Hong Kong AFP in English 0702 GMT  
26 Dec 91

[Text] Beijing, Dec 26 (AFP)—China's paramilitary police force suppressed 30 riots this year, including an armed clash between thousands of gold prospectors that left three people dead, a newspaper reported Thursday.

The official Legal Daily said that all anti-riot squads stepped up training this year to be prepared for sudden violence "that threatened the safety of the masses and disrupted public security."

Besides the disclosure of the suppression of the gold mine riot, the newspaper also described in unusually dramatic terms a hostage drama that ended with the kidnapper being killed by ace marksmen.

It said "an armed clash between thousands of peasant gold prospectors fighting over a gold mine left three people dead and nine seriously injured. Knives flashed, bullets flew and the situation was grave."

"Suddenly, the People's Armed Police (PAP) came on to the scene at top speed and immediately quelled the armed clash and the mine was restored to order."

The paper did not say when or where the riot occurred, but reported that 30 similar incidents took place this year.

It also mentioned a September 11 hostage drama, when PAP marksmen shot dead a kidnapper who had wired himself with explosives in China's north-central Shaanxi province.

"At the time, the criminal who was holding several hostages had completely wrapped himself with explosive detonators. If he couldn't be taken out with one shot, the consequences would be inconceivable."

"Two ace marksmen raised their rifles and fired simultaneously, with one bullet hitting the temple and the other the chest. The criminal was instantly killed and the hostages were safe and sound," the paper said.

The People's Armed Police force is directly controlled by the People's Liberation Army and was created to deal with civil disturbances, including anti-government riots.

After the crackdown on pro-democracy protestors here in June 1989, tens of thousands of army troops were

transferred into the armed police to increase the force's strength in the event of further unrest.

The Legal Daily said leaders of the armed police had inspected anti-riot work of different units 14 times this year and ordered an acceleration of preparation to deal with potentially explosive incidents.

"All units aimed at perfecting the system of combat readiness in the event that any kind of incident cropping up.... [as received] and formulated specific measures at every level," the paper said.

As part of those measures, the armed police engaged in anti-riot training and increased political education of its forces to "ensure a rapid reaction" in the event of unexpected violence.

#### Authorities Play Down Christmas Celebrations

HK2612115391 Hong Kong MING PAO in Chinese  
26 Dec 91 p 4

["Special dispatch": "Mainland Authorities Deliberately Restrict People's Christmas Celebrations"]

[Text] Yesterday was Christmas Day, a day which is celebrated everywhere. But because of the Chinese officials' deliberate attempt to play down this festive occasion, which originates in the West, and restrict celebration activities by the people, the Christmas atmosphere on the Chinese mainland was quite sober.

According to informed sources in Beijing, all the major official press organs in Beijing Municipality received directives before Christmas asking them to play down reports about Christmas. They were also prohibited from publishing advertisements about Christmas dinners and receptions being held in foreign-invested hotels. As a result, all official newspapers, television stations, and radios did not carry any reports about the Christmas atmosphere yesterday, while some papers published negative reports about the observance of Christmas in the West and in East European countries under dire economic situations. This was in sharp contrast to the Christmas show and program presented on Chinese Central Television Station last year.

It was also reported that just before Christmas, China's Ministry of Culture turned down applications by two of Beijing's well-known rock bands, "Heaven's Love" and "Family and Friends," to hold two Christmas concerts at the Beijing Music Hall. However, on Christmas Eve, a number of Beijing rock bands led by famous rock and roll singer, Cui Jian, held an all-night concert at a hotel for Beijing's diplomats. Many young Beijing people took part in the celebration. Also participating in the concert were many popular Beijing rock groups like "Evening News," "Breathe," and "Faces."

Furthermore, some 20,000 Beijing residents attended the "midnight mass" celebrated at Beijing Cathedral. Hundreds of devout Catholics even arrived as early as

1800 to wait outside the cathedral. A large number of public security personnel with walkie-talkies and dressed in winter coats kept an eye on those attending the mass.

In Guangzhou, the Christmas atmosphere may be more intense than in Beijing, because of its proximity to Hong Kong and Macao, but the official media also played down the occasion like their counterparts in Beijing. Celebration activities were also restricted to churches and foreign-invested hotels. On Christmas Eve, Guangzhou's Public Security Department mobilized a large number of personnel to maintain order outside the churches. Some Christians were denied entry into the churches because alleged overcrowding last year had led to accidents. Hence, the authorities wanted to control the number of people entering the churches.

However, the Christmas celebration activities among the people of Guangzhou was still pretty lively. Many families turned out in force to attend big shows staged at foreign-invested hotels like the White Swan Hotel, the China Hotel, and the Garden Hotel.

#### **'More Than 13,000' Pay Respects on Mao's Birthday**

OW2612144091 Beijing XINHUA in English  
1435 GMT 26 Dec 91

[Text] Beijing, December 26 (XINHUA)—More than 13,000 visitors both Chinese and foreign came to the Mao Zedong Memorial Hall in Beijing to pay respects to Mao's remains today on the 98th birthday of the late Chinese president.

The visitors included workers, farmers, cadres, students, soldiers and overseas tourists. A number of them shed tears when they came before the remains of Mao.

Mao's son and two daughters Mao Anqing, Li Min and Li Na, and Mao's other relatives presented three flower baskets at the memorial hall also today.

According to an official of the memorial hall's administrative staff, the hall has received 8.1 million visitors this year and 70.37 million since it opened to the public on September 9, 1977. Of them, about two million were overseas visitors.

#### **Call for Repelling 'Western Forces'**

HK2612083391 Hong Kong AFP in English 0815 GMT  
26 Dec 91

[Text] Beijing, Dec 26 (AFP)—The anniversary of Mao Zedong's 98th birthday was marked here Thursday with a call for using the late Chinese leader's theories to repel "reactionary Western forces" trying to subvert socialism.

The day that used to be a virtual national holiday during the Cultural Revolution passed quietly for most Chinese, even though those aged over 30 still have strong memories of the "Great Helmsman."

"Today used to be China's equivalent of Christmas," joked one official in his 40s. "Everybody used to have to sing a song praising Chairman Mao."

Mao's successors in the Communist Party also used the occasion to praise him Thursday, referring to his "treasure-trove of theories" and calling for greater study of his thoughts, one of the cornerstones of party ideology.

"Reactionary Western forces are stepping up their strategic implementation of peaceful evolution against socialism and have launched a political, economic and cultural assault against the people of socialist countries and the Third World," a lengthy article in the PEOPLE'S DAILY [RENMIN RIBAO] said.

"This requires us to seriously study Mao Zedong Thought, in order to absorb the forces of scientific truth and revolutionary spirit," the official party newspaper said.

Despite the disastrous mass movements launched by Mao, including the Cultural Revolution that ended with his death in 1976, Chinese intellectuals still acknowledge that the founder of Chinese communism had vision.

Official media have recently carried numerous reports on "Mao fever," a resurgence of interest in the late leader among Chinese youth.

But most Chinese analysts say the phenomenon is in reality a sign of discontent with the current communist leadership and a collective wish among the people to return to what is perceived as a better past.

Visitors still cram into the mausoleum on Tiananmen Square where Mao's body rests under a glass casket, and the XINHUA NEWS AGENCY said that one million people, 70 percent of them students, had made the trek to Mao's hometown of Shaoshan this year.

The CHINA YOUTH NEWS [ZHONGGUO QINGNIAN BAO] reported Thursday that 34,000 people had also taken part in discussions held to mark Mao's birthday in his hometown.

#### **'Rumors' Concerning Party Plenum Critiqued**

HK2312102491 Hong Kong WEN WEI PO in Chinese  
23 Dec 91 p 11

["Special article" by Li Yen (2621 6056): "Another Clumsy Performance by Rumormongers—Analyzing Rumors on Eighth Plenary Session"]

[Text] The Eighth Plenary Session of the 13th CPC Central Committee, which attracted worldwide attention, closed at the end of last month. All rumors about the plenary session were eventually scotched. However, the rumormongers have not yet stopped their performance and are still fabricating new rumors to replace the smashed ones. Therefore, it is necessary to make some analyses on the performance of the rumormongers and



the rumors they have fabricated around the Eighth Plenary Session. This may help people clear their vision and sharpen their vigilance.

#### **All Kinds of Rumors Spread Before Eighth Plenary Session Opening**

Before the plenary session opening there were already all kinds of rumors, mainly about the opening date of the session and the main topics for discussion.

Regarding the opening date, there were reports in Hong Kong in early July that the Eighth Plenary Session would be held in August. The fact is that, during July and August, the CPC leaders at various levels were all busy helping east China fight the floods. At the beginning of August, some Hong Kong newspapers announced that the Eighth Plenary Session would be held in October, while others said the time would be early or mid-November. As nothing had happened by mid-October, a foreign publication which is fond of spreading rumors, said that "due to the endless disputes between the two factions within the CPC, the Eighth Plenary Session has been postponed." This rumor was soon republished by some Hong Kong newspapers. Actually, by fabricating so many rumors about the opening date and deliberately advancing it, the rumormongers were trying to draw the conclusion that there were "endless disputes between the two factions within the CPC." As far as I have learned from reliable sources, the Eighth Plenary Session was held exactly as scheduled and had never been postponed as the rumors said. Moreover, as there are no concrete stipulations in the CPC Constitution about the opening date of the annual plenary session of the Central Committee, the term "postponement" was completely fabricated by the rumormongers in order to mislead the readers.

The rumors about the main topics for discussion at the plenary session were also fabricated to accompany those about the opening date. As early as the last 10 days of September, before the central work meeting was held, a newspaper said: "The forthcoming Eighth Plenary Session will discuss the Soviet situation and make arrangements for preventing peaceful evolution." A CNA dispatch carried by a Hong Kong-based Taiwan newspaper said that the conflicts between the "reformist" and "conservative" factions within the CPC "will become increasingly acute at the Eighth Plenary Session this autumn and at the 14th CPC National Congress next year." After that, a series of rumors were published by some newspapers, saying that "the main topics for discussion at The Eighth Plenary Session will include measures against peaceful evolution and personnel changes," and "in view of the turbulent situation in the Soviet Union, the Eighth Plenary Session will mainly make arrangements for preventing peaceful evolution; besides, top-level personnel changes will also be an important topic for discussion." After Premier Li Peng revealed, during his inspection of Shandong at the end of October, that the central topic for discussion at the plenary session was agriculture, the rumormongers,

seeing that they were unable to evade this, turned to say that "apart from discussing agricultural problems, opposing peaceful evolution and making personnel changes will also be important topics for discussion at the plenary session." Even after TA KUNG PAO made an official announcement on 20 November about the opening date and the main topic for discussion, the rumormongers were still trying to insert their private fabrications into the session. On the day the plenary session was convened, the same Hong Kong-based Taiwan newspaper carried a dispatch by a foreign news agency, saying that "the Eighth Plenary Session will mainly discuss leading personnel changes and the future of rural reforms." The main topic for discussion was placed after a topic which did not actually exist. Some Hong Kong newspapers also copied such rumors without changing a word. During the following days, almost every day, some newspaper editorials, commentaries, dispatches, or articles focused their attention on the so-called "personnel changes," which did not exist, while attaching much less attention to the real topic for discussion. All these rumors and hearsay were aimed at impressing the people that there were furious struggles between the top-level CPC leaders. There was nothing else to discuss at the Eighth Plenary Session and there was nothing more important than personnel changes in China.

#### **Rumors Change After Plenary Session**

Of course, the successful conclusion of the Eighth Plenary Session, and the publication of the communique, made the rumormongers disappointed. A series of rumors they had fabricated with painstaking efforts were eventually scotched by facts. "Rumors are stopped by wise persons," and also by facts. Originally, the rumormongers should have "shut up and pondered over their mistakes" after their rumors were scotched. However, instead of doing so, they changed their tactics and continued to fabricate new rumors, trying to cover up the absurdity of the old ones.

They continued to spread new rumors, saying that due to the sharp struggle between the two factions at the top level, the Eighth Plenary Session could not but be postponed to the end of November, and it would be unable to make any personnel changes. An old gentleman who declared himself "disillusioned with the mortal world of socialism" and had fled to the United States and became a monk in the Xilai Temple, wrote a "great article" to comment on the Eighth Plenary Session. He said that originally, the Eighth Plenary Session was aimed at solving some personnel issues but, due to the endless struggle between the two factions, "the Eighth Plenary Session has not solved any substantial problems." This made him "rather disappointed." On the other hand, the rumormongers started spreading new rumors about the length of the session. Before the Eighth Plenary Session was held, some newspapers said that the meeting would last two to three days. This in itself was groundless conjecture. Then, because the meeting took five days, a newspaper article said that "due to the

endless disputes within the party, the meeting was prolonged for one or two more days." The rumormongers had even sought grounds from the length of the meeting. This shows how they had racked their brains in fabricating rumors.

There are no concrete stipulations in the CPC Constitution on the length of a plenary session of the Central Committee. It is decided entirely according to the needs of the meeting. Looking at the plenary sessions held since the "Cultural Revolution," we will find that the length of meetings varied from one to another. The Second Plenary Session of the 11th CPC Central Committee lasted five days; the Third Plenary Session of the 11th CPC Central Committee took four days; the Fifth Plenary Session of the 11th CPC Central Committee, six days; the First and Second Plenary Sessions of the 12th CPC Central Committee were only two days long; and the Seventh Plenary Session lasted six days. The length of the Eighth Plenary Session was not scheduled in advance. How could it be said that it had been prolonged for some days? Comparison between two and three days was actually a violation of the CPC Constitution. Moreover, as the agricultural issue discussed at the plenary session has an important bearing on the national economy and the people's livelihood and concerns many policy matters, and there were many important issues to discuss and decide upon, it was entirely reasonable that the session lasted for five days.

In fact, the most direct purpose of the rumormongers in saying the Eighth Plenary Session was prolonged was to prove their rumor on the so-called "top-level personnel changes." It still remains fresh in the people's memory that when spreading the rumor on "top-level personnel changes" for a certain period before the plenary session convened, the rumormongers also made all kinds of "predictions" about the so-called personnel changes, saying that certain persons would enter the Political Bureau, others would be promoted "to a higher level," and yet others would quit the Political Bureau. During the plenary session, news about the so-called "top-level personnel changes" became more concrete. It seemed that the "new persons" to be appointed as Political Bureau and Political Bureau Standing Committee members were already on the list. By the way, I would like to point out that some rumors about the so-called personnel changes were such ridiculous and childish mistakes that the readers, even those with very little knowledge about the CPC, could not help laughing at them. For example, according to the CPC Constitution, members of the Central Committee are elected by the CPC National Congress and alternate members fill vacancies in the Central Committee only in the order of votes. But the rumormongers said that a certain person, not even a Central Committee member, would be promoted as a member of the Political Bureau Standing Committee. This was obviously nonsense. They also said that when a military officer was promoted member of the Political Bureau Standing Committee, he would become "the first serviceman in that post." We say this was a fabrication

not only because it has been proved to be absurd by the facts since the Eighth Plenary Session but also because there are historical facts to prove its absurdity. There have been servicemen in the post of Political Bureau Standing Committee member, or even vice chairman of the CPC Central Committee, not only during the democratic revolution but also after the founding of the state.

The rumor about the so-called top-level personnel changes has fallen through since the Eighth Plenary Session closed. To justify themselves, the rumormongers created another new rumor, saying the the Eighth Plenary Session was prolonged because of the "endless disputes" among the top leaders over personnel arrangements. In this way, they seemed to be able to "escape" responsibility for the rumors, cover up the absurdity of the old rumors, and find a way to create new ones. In an article published by a certain newspaper two days ago, entitled: "The Struggle Within the CPC After the Eighth Plenary Session," the author said that the "Eighth Plenary Session was unable to make any decisions on the personnel issue. After the session, there will be a new power struggle centered on personnel arrangements. The result will be seen at next year's 14th CPC National Congress." "Power struggle on personnel arrangements at the 14th CPC National Congress is now going on behind the scenes, and it will reach high tide and produce some effects on the eve of the 14th CPC National Congress. Let us wait and see." A monthly magazine in Hong Kong, originally a weekly, said in its latest issue that "a new Political Bureau decision on Zhao Ziyang was circulated at the Eighth Plenary Session" and that "Deng Xiaoping said he would bear responsibility for the 4 June incident." As far as I have learned from reliable sources, the said article was full of fabrications from beginning to end. What dirty tricks they have played in order to achieve their sinister political purpose!

#### Rumors Are Reflections of Certain Political Illusions

All rumors, either those about the opening date of the Eighth Plenary Session and the topics for discussion at the meeting before its opening, or those slandering the plenary session after its conclusion, relate to the so-called "top-level personnel changes." This was by no means an accidental phenomenon. But why were the rumormongers so interested in CPC personnel changes? It is not difficult for us to find the answer. Since the political disturbances in Beijing as spring turned to summer in 1989, the international anti-China forces have been pursuing a peaceful evolution strategy. Although they have suffered defeats, they have not ceased their attempts. Because violent changes took place in East European countries and the Soviet Union, they have become more eager to change China's socialist system. They are expecting the sharpening of a "power struggle" between top CPC leaders, leading to top-level personnel changes, so that China can change its color. For this reason, they have tried a thousand and one ways to "seek" so-called "rifts" in the CPC's top leadership level; hence, the fabrication of the so-called "reformist faction" and "conservative faction." By creating a false

impression of "power struggle," they tried to "prove" that China's political situation was unstable and, by spreading rumors, they wanted to create disorder in Hong Kong and in mainland ideological fields, so that their "psychological warfare" purpose can be attained.

However, what is written in ink cannot cover up iron facts. The top CPC leading collective headed by Jiang Zemin is strong and united. The leaders hold identical views on a series of major principled questions. The convening of the central work meeting and the Eighth Plenary Session fully reflect that this leadership nucleus has matured. In these times of changes in the international situation, CPC leaders are still concentrating their efforts on solving China's major contradictions and firmly grasping the central task of economic construction. At the central work meeting, which was held at the end of September, the participants mainly discussed the question of enlivening large and medium state-owned enterprises. At the plenary session held during the last 10 days of November, the question of agricultural and rural development was further discussed. All this was aimed at further deepening reforms and promoting economic development. We firmly believe that, provided the CPC steadfastly follows this road, China will certainly build up a more profound material base and become one of the most powerful countries in the world.

People can also draw lessons from all kinds of hearsay around the convening of the Eighth Plenary Session. In order to carry out their "psychological warfare," some people constantly change their tactics and fabricate all kinds of rumors to confuse and poison people's minds. We must not give them credence. What merits our attention is that in order to make their rumors more "authoritative," the rumormongers usually crown them with phrases such as "according to reliable sources," "according to well-informed sources in Beijing," and even "according to official sources in Beijing." We must be careful not to be taken in and deceived. A rumor can play some role in a certain period of time but, once it is scotched and the rumormonger exposed, it will find less and less support among the people.

#### **Propaganda Official on Antipornography Efforts**

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[“Excerpts” of speech delivered by Liu Zhongde, deputy director of the Central Propaganda Department, at the National Antipornography Work Conference on 18 December 1991: “Wage a Deep-Going, Protracted Antipornography Struggle, Take a Further Step To Strike at Illegal Publishing Activities”—XINHUA Headline]

[Text] Nanjing, 18 Dec (XINHUA)—Comrades:

Following the Central Committee's instruction on “continuing our fight against the ‘six vices’ [prostitution; manufacture, sale, or dissemination of pornography; abduction or sale of women or children; illicit drug cultivation, abuse, or trafficking; gambling; and cheating

or harming people through feudal or superstitious practices],” we are here to convene the Second National Antipornography Work Conference today. The tasks of this conference are to sum up the experiences of antipornography work in the past year, to analyze the situation in the publications market, and to arrange the antipornography campaign for the current winter-spring period.

1. The major successes of the intensive antipornography work in the last winter-spring period and the current situation in recently revived illegal publishing activities:

After the Fourth Plenary Session of the 13th CPC Central Committee, a mammoth nationwide antipornography struggle was waged in accordance with the Central Committee's instruction. As a result of that antipornography struggle, the situation in the publications and audio-video market improved to some extent, and the demand on screening the market put forward by the Central Committee was basically met. In late October 1990, the central leading group for propaganda and ideological work held a national antipornography work conference in view of new problems in the publications and audio-video market. In accordance with the arrangements made by the conference, another intensive antipornography campaign was launched across the country from winter 1990 to spring 1991. The antipornography campaign of the last winter-spring period scored remarkable successes.

First, the campaign helped the cadres and people understand the protracted nature and arduousness of antipornography work and enhanced their awareness of the need to pay constant attention to it.

Second, it made all localities pay great attention to the investigation of local pornography manufacturers and sellers, and to finding the right targets. According to incomplete statistics, the authorities confiscated some 6.8 million copies of illegal publications, some 3,000 copies of pornographic publications, more than 1,300 reactionary books and journals, some 1.07 million copies of illegal, plastic Spring Festival pictures, some 490,000 banned music tapes, more than 50,000 banned video tapes, and some 4,000 pornographic video tapes during the nationwide campaign. In the meantime, the authorities closed down more than 3,000 illegal publishers, and 2,946 unlicensed bookstands and audio-video stands. Eighty-three bookstands and audio-video stands were ordered to suspend business before making improvements.

Third, the authorities resolutely handled a number of important cases. As compared with the 1989 antipornography work, the campaign of winter 1990 and spring 1991 was conducted with better administrative measures, and stricter and more adequate legislation. In particular, the National People's Congress Standing Committee, the Supreme People's Procuratorate, and the Supreme People's Court promulgated a number of laws and judicial interpretations, providing an effective legal basis for speedy trials and harsh verdicts. Various



localities handled a number of important cases according to those laws. As of early March this year, Beijing, Shanghai, Hunan, Gansu, Hubei, Shandong, Ningxia, Hainan, Shaanxi, and Qinghai cracked 305 major cases. Of these cases, 160 have been wound up.

Fourth, the campaign enhanced results in reducing and rectifying newspapers, journals, and publishing houses, and improved the management of books, newspapers, journals, and the audio-video market. While resolutely wiping out pornography, all localities made great efforts to promote prosperity. [sentence as received]

In short, the intensive campaign of winter 1990 and spring 1991 dealt a blow at the criminals who manufactured or sold pornographic materials or engaged in illegal publishing business. It raised people's awareness of the need to fight against pornography, made the entire society pay more attention to antipornography work, and achieved remarkable success in purifying books, newspapers, journals, and the audio-video market.

However, illegal publications have been on the rise again since summer. Lately, unlawful elements have become arrogant and the trend in illegal publications has become increasingly rampant.

To tackle the above situation, some provinces and municipalities, like Heilongjiang, Shandong, Tianjin, Henan, Beijing, Jiangsu, Hebei and Hubei, have kept a tight grip on efforts to crack down on illegal publications. At the same time, antipornography offices nationwide have taken a number of measures in conjunction with other departments concerned, mainly by focusing on major cases, in order to build up the momentum. Through these measures, illegal publications in some regions were brought under control. But viewed as a whole, the situation has not turned around completely, and the crackdown on illegal publications should be intensified further.

The following are some of the main reasons why illegal publications have become rampant again at present:

First, this is a long-term reflection of class struggle. In his speech marking the party's founding on 1 July, Comrade Jiang Zemin pointed out: "The ideological sphere is an important sphere in the struggle between peaceful evolution and counter peaceful evolution." Hostile forces at home and abroad have always regarded ideological infiltration as the chief method in their strategy for promoting peaceful evolution in socialist countries. And this infiltration is carried out mainly through the mass media which include publications and audio-visual products. Unlawful elements engaged in illegal publications are actually playing the role of helping hostile forces at home and abroad to carry out peaceful evolution in China. The three main categories of illegally published, harmful materials that we have banned are: Publications that have reactionary content and grave political errors. They advocate the viewpoints of bourgeois liberalism, and undermine the people's beliefs in upholding the four cardinal principles. Publications that allegedly reveal the

dark side of China. This category creates an extremely bad influence on the masses. Lowly pornographic and obscene publications whose content deals mainly with sexual crimes, sexual perversions, and sexual techniques. Such publications seriously poison the social atmosphere. Facts have shown that the rampancy of illegal publications is an important reflection of class struggle. On top of that, we have a large and wide readership, and the amount of good books published and released have failed to meet their needs. This situation provides the gap for a vast amount of bad books to filter in, and is an important reason for the rampancy of illegal publications.

Second, some localities and departments do not have sufficient understanding of the significance of cracking down on illegal publications. Some comrades who do recognize the significance of the antipornography drive from the perspective of counter infiltration, counter subversion, and counter peaceful evolution have failed to view the crackdown on illegal publications from the same angle. They fail to understand that cracking down on illegal publications is an important part of the antipornography drive. And failing to crack down on illegal publications has not only harmed the normal publishing procedures but also led to the rampancy of pornography.

Third, administration has not kept pace with events. Some administrative stipulations have not been implemented properly, and relevant provisions have not been drafted in time when new problems have emerged, providing opportunities for unlawful book merchants. This is reflected mainly through illegal printing and illegal releases. It is difficult for publication administration departments to control some printing houses, especially town and township printing houses which were not founded to deal with publications. In actual fact, they are left on their own, and often a large amount of illegal publications are printed by these printing houses. Collective and individual-run bookstores are the main conduits for the circulation of illegal publications. Unlawful book merchants rely on collective and individual-run bookstores to distribute and market their illegal publications. Some even organize underground distribution networks spanning across provinces and regions. A number of publishing units have collaborated with unlawful book merchants and this has actually encouraged illegal publications.

Fourth, laws are not strictly enforced and measures to crack down on pornography are not effective. In the process of investigation and trial, we have often seen that lawbreakers are not investigated thoroughly and held responsible for their crime, or are given a fine instead of a criminal sentence or a lighter sentence.

The present illegal publications are characterized by their voluminousness, pervasiveness, escalating trend, and national magnitude. Problems of "yellow," "black," and "gray" existing in current publication markets are reflected in illegal publications in a concentrated form.

Without cracking down on illegal publications, it is impossible to deepen the fight against pornography and the "six vices." If the antipornography drive is not carried out in a penetrating and sustained manner, all we have achieved so far will be wasted. More important, in the face of a rapidly changing international situation, we must accelerate the pace of economic construction so that we can always be in an invincible position. A stable social environment is indispensable for construction. Therefore, in this sense, the fight against illegal publications has become one of the important factors affecting China's national stability. It is imperative to crack down on illegal publications.

2. In view of the current situation, it is necessary to organize another antipornography drive this winter and next spring to deal relentlessly with legal publications. Concrete arrangements are as follows:

1. It is necessary to conduct extensive and in-depth ideological mobilization so that the masses and cadres, especially leading cadres, can increase their sense of responsibility in cracking down on illegal publications. Culturally, trying by hook and by crook to cater to the vulgar taste of certain readers, money-hungry criminals who are involved in illegal publications, are selling spiritual opium, polluting the social environment, corrupting the general conduct of society, endangering the mental and physical health of youth, lowering the quality of the nation, and undermining social stability. Economically, the criminals reap colossal profits from speculation and profiteering in illegal publications and use the large amount of money in their control to bribe state functionaries, corrupt cadres, and get them into trouble. What is worse is that politically the crime of illegal publishing can create editorial, printing, and publishing forces antagonistic to and beyond the control of the government. Under given conditions, it is highly possible that they will be manipulated by hostile forces. Therefore, the fight against illegal publications constitutes the important content of the antipornography drive, and is essentially a major component of the protracted struggle against bourgeois liberalization and "peaceful evolution," as well as a reflection of class struggle under the current situation. Leading cadres at all levels should fully recognize the harm of illegal publications and the urgency in cracking down on them, fully recognizing that the fight against illegal publications is an important political responsibility for creating a healthy social and cultural environment for building socialism with Chinese characteristics.

2. Prompt action should be taken according to the actual conditions in various localities. Efforts should be concentrated on the cleaning up of book, journal, video, and audio markets around New Year's Day and the Spring Festival period. All localities should continue to implement the regulations of the Party Central Committee and the State Council on cracking down on pornography and illegal publications. They should draw on experiences gained by some places in making sudden checkups or in waging a special struggle in the previous period; rely on

their supervision mechanisms and their gradually improving control networks over books, journals, and video and audio tapes; and organize a cleanup of major targets in order to clear away "cultural garbage." The aim during the cleanup is to ban illegal publishing activities; stop the spread of illegal publications; purify the book, journal, video, and audio markets; and severely punish criminals engaged in illegal publishing activities. The main targets of this cleanup are printing houses at the county level or lower and collective and individual distribution units, as well as such important links as trains, ships, railway stations, bus stops, and docks. In the country, it is necessary, in particular, to do a good job in cleaning up Beijing, Shanghai, and major cities along the main lines of communication. In the vast countryside, it is essential to expose and resist the production and spread of illegal publications according to unified arrangements made by party committees and governments at various levels, and in connection with widespread socialist education. The publication markets must take a noticeable turn for the better through the cleanup.

3. We should give full play to the might of the people's democratic dictatorship organs and crack down on criminals engaged in illegal publishing activities. While further implementing administrative measures, various localities should use the law as a weapon to handle major or serious cases and to severely punish criminals engaging in illegal publishing activities. Administrative departments should promptly refer those who are engaged in illegal publishing activities that constitute a crime to judicial organs. Public security departments should involve themselves in the investigation and handling of major or serious cases as early as possible; they should conscientiously handle cases that are transferred to them from relevant departments, and make vigorous efforts to obtain evidence and file such cases. Various localities and departments should coordinate and cooperate with one another in investigating and handling cases of engaging in illegal publishing activities. In dealing with transprovincial or transregional major or serious cases, it is particularly necessary to get to the bottom of things; all relevant localities and departments should make concerted efforts to investigate and handle such cases, and they must not try to shift responsibility onto others or dispute over trifles in order not to bungle the chance of doing a good job in this regard. As for those who have violated the criminal law, public security departments should promptly refer them to procuratorial organs for prosecution. People's procuratorates and courts should pay close attention to accepting cases of engaging in illegal publishing activities and severely punish criminals according to law. Those engaged in illegal publishing activities are to be sentenced according to the crime of speculation. In addition, if such illegal publications constitute counterevolutionary propaganda, incitement, or the production and selling of pornographic books and pictures, if those involved in such cases offer or take bribes or forge official stamps and documents, they will be punished simultaneously for

several crimes. What should particularly be stressed here is that those involved in cases of illegal publications should be punished severely and promptly so long as the basic facts of their cases are clear, and basic evidence conclusive. During the New Year's Day-Spring Festival period, various localities should openly handle a number of pending cases of engaging in illegal publishing activities in order to deter criminals.

4. Press and publication, culture, radio and television, and commerce and industry departments must coordinate with each other, step up administrative control, and properly manage the publication and audio-visual market. Press and publication and culture departments are the competent departments directly in charge of the press and publication industry. They must truly carry out their duties and earnestly seize the initiative during administrative work. Commerce and industry departments must attach great importance to the peculiarities related to the production and circulation of spiritual products and must put in the needed strength to control the publication and audio-visual market. They should coordinate with press and publication, culture, and radio and television departments in a timely manner to mete out administrative punishment to those who engaged in illegal publication and those who ought to be punished. As for cases of illegal publication that have been referred to public security and judicial departments, the relevant departments must earnestly coordinate to gather evidence and to determine their nature.

5. Official publishing units must be strictly managed. Official publishing units of the state are the culture and propaganda departments of the party and country, and they must voluntarily observe the provisions for administering publications. All official publishing units should not get involved or support illegal publications. Those who do so, regardless of units or individuals, must be severely punished. Punishment shall include cessation of operation to await a shake-up and cancellation of licence. Nonpublishing units or individuals who buy bibliographical numbers from publishing units or do so in disguise to publish books, magazines, and tapes will be deemed dealers in illegal publications and will be punished. Publishing units whose licences have been canceled or have been ordered to cease operation will be treated as illegal publications and the individuals responsible will be severely punished if they continue to publish books, papers, journal, and tapes.

6. Control of the printing industry must be tightened in order to block the "source" of illegal publications. Currently there are nearly 60,000 printing houses in China, of which 4,478 have licences to print books and magazines. The printing industry involves departments producing materialized spiritual products, and is an important part of the socialist ideological and cultural realm. At the same time it is also a special trade, and special demands must be placed on special trades. The preservation of state secrets and social stability is directly related to how the printing industry is managed. One must not treat lightly the need to uphold the correct

guidance of public opinion, and must strictly implement the provisions drawn up by relevant departments to administer the printing industry. Enterprises that are not supposed to print books and magazines can only do so after obtaining approval. Enterprises without licences to print books and magazines should not be allowed to typeset and print them. Violators shall be charged with illegal printing. Those who set up printing houses and audio-visual duplication centers on their own without approval must be banned immediately when uncovered.

7. Control of collective and individual-run publication distribution units must be further tightened in order to block the distribution channels for illegal publications. Presently there are about 40,000 bookshops (stores) run by collectives and individuals nationwide. Of these, around 11,000 collective-run bookstores are permitted to engaged in grade-two wholesaling. It is imperative to continue to strictly implement the "Temporary Provisions for Tightening Control of Collectively, Individually, and Privately-Owned Bookshops (Stores)" promulgated by the Press and Publication Administration and the State Administration for Commerce and Industry; to tighten the procedure for examining and approving collective and individual-run distribution units; and to promptly punish any violations. Based on the experience in some localities, collective and individual-run retail and grade-two wholesale units approved by the state henceforth can only place their orders through the state-run Xinhua Bookstore, publishing houses, periodical agencies, and post offices rather than any other channels. Regardless of content, publications ordered through other channels will be treated as illegal publications when uncovered and banned. Departments managing press and publication and culture in all localities must introduce a system to examine books and journals put on sale by collective and individual-run distribution units, and must organize the social force to conduct regular supervision of the book and magazine market. In accordance with needs, all localities must draw up specific regulatory methods and must educate the collective and individual-run distribution units so that they can truly become a helpful complement to state-run bookshops which are striving to build a thriving book and magazine market and be of convenience to readers. It is imperative to firmly strike at and severely punish people engaged in the distribution of books and magazine without licence, especially those hawking illegal and banned publications.

8. To stop the transportation of illegal publications, it is necessary to tighten control over consignments of batches of goods and postal mailing of publications at bus and railway stations, docks, airports, post offices, and other delivery links. It is necessary to continue implementing the relevant provisions of the circular (30 July 1987) by the 12 departments, including the Ministry of Railways, the Ministry of Communications, the Ministry of Posts and Telecommunications, the Civil Aviation Administration of China, and the Press and Publication Administration, on implementing the State Council's circular on cracking down on illegal publication activities, and to vigorously distribute work of



examining illegal publications at bus and railway stations, docks, airports, posts and telecommunications, and other delivery links. Certificates for all goods consignments and mailed books, newspapers, periodicals, and video and audio products passing through bus and railway stations, docks, airports, and post offices must be furnished according to regulations. If illegal publications are discovered during transportation or delivery, the departments concerned must promptly contact press and publications, and cultural control departments so as to provide evidence for investigating and handling illegal publication activities.

9. We should sufficiently mobilize the masses to consciously resist illegal publications, and to support and participate in the struggle to crack down on illegal publication activities. The masses know best who are engaged in illegal publication activities and who participate in illegal publication activities. Most of these activities are hidden and are mobile. The experience we have gained in the antipornographic work tells us that in many circumstances, some cases involving the manufacturing and selling of pornographic materials and illegal publications can be exposed, discovered, and cracked only if we rely on the supervision of the masses and on the information they provide. The criminals engaged in illegal publication activities will have no place to hide themselves once the masses of people are mobilized to keep an eye on their activities. We can win victory in the struggle against illegal publication activities only if we mobilize the masses and at the same time enhance the authority of the organs of democratic dictatorship, doing these two things at the same time and allowing the masses to make suggestions and participate in the struggle.

Party committees and governments at all levels must take concrete actions against illegal publication activities so as to demonstrate the determination of the government, to enhance the fighting will of the masses, and to win their support and trust. At the same time, attention must be paid to public opinion and propaganda. In conjunction with the current task to comprehensively improve public order across the country, we should use the mass media to publicize the grave harm done by illegal publications and to explain the necessity of the struggle to crack down on illegal publication activities; we should promptly report the progress in cracking down on these activities and spread the advanced experience in cracking down on these activities, and the experience in strengthening constant control and in improving the legal system. We should selectively report punishment meted out to major criminal cases involving illegal publication, make use of negative examples, and enlarge the influence of society so as to deter criminals and educate the masses.

10. We must effectively strengthen leadership over the work of cracking down on illegal publication activities.

All local authorities must conscientiously carry out the guidelines of the Shaoyang meeting held in the latter part

of October this year and, while strengthening the endeavor to comprehensively improve public order, arrange the work of cracking down on illegal publication activities and implement it as an important item of the endeavor.

Leading groups in charge of the cleaning-up and rectification of book, journal, and video and audio markets in various areas must promptly study the current situation of illegal publication activities in their respective areas, the points to be stressed in work, and their plans for further cracking down on illegal publication activities; and should also make suggestions, submit them to the provincial party committees for instructions, and make early arrangements for work.

All areas should coordinate with the publishing, cultural, radio, television, industrial, commercial, railway, transport, posts and telecommunications, and public security departments and people's procuratorates and people's courts, and, by combining force with nonviolence, carrying out their respective functions, fighting side by side, and joining hands in this struggle under the unified leadership of party committees, form a real dragnet for cracking down on illegal publication activities.

All areas must combine concentrating on cracking down on illegal publication activities with strengthening constant control and carry out the effort to comprehensively improve public order while enhancing the role of the governmental departments. While concentrating on cracking down on illegal publication activities, all areas must strive to improve the rules and regulations governing the management of book, journal, and video and audio markets. In the course of the long-term struggle, all areas should promptly organize forces to concentrate on cracking down on illegal publication activities in accordance with the needs of the developing situation.

We must continue to implement the principle of "promoting prosperity while carrying out rectification." While stepping up the antipornographic campaign and the struggle to crack down on illegal publication activities, we should spare no effort to promote the prosperity of publications, and literature and art, and fill the book, journal, and video and audio markets with good, healthy, and colorful reading materials appreciated by the masses so as to satisfy the needs of the various aspects of their diversified spiritual and cultural life at various levels.

In accordance with the guidelines of the national antipornographic meeting held in October last year, the leading bodies and work groups for antipornographic work in various areas must be preserved, and their role should be further enhanced. They should be guaranteed manpower, financial resources, and good working conditions in accordance with the relevant regulations.

**Crackdown on 'Largest' Case Reported**

HK2612120491 Hong Kong ZHONGGUO TONGXUN  
SHE in Chinese 0930 GMT 25 Dec 91

[Text] Zhenjiang, 25 Dec (ZHONGGUO TONGXUN SHE)—China recently cracked a large illegal publishing group whose influence had covered 85 counties and cities in 27 provinces, municipalities, and autonomous regions all over the country. A total of 257 units had participated in the related illegal publishing, printing, distributing, and selling.

As revealed by the national coordination council for cracking down on illegal publishing, this case of illegal publishing, known as the case of 18 September, was cracked by the public security of Zhenjiang City in the early morning of 18 September this year. It has attracted close attention from such departments as the National Antipornography Office, the Ministry of Public Security, and the State Press and Publications Administration. Preliminary investigation shows that this group has published 230 illegal publications and printed 1.298 million copies. So far, 33 offenders involved in this case have been detained for interrogation according to law. According to the briefing, this is the largest case of illegal publication that has been cracked in China in recent years.

It was also revealed that this case of illegal publishing has the following features. In content, these publications have highly provocative antisocialist tendencies, are packed with highly corrosive pornography, and give prominence to extensively harmful feudal superstitions. In form, the printing quality of these publications is quite high so as to mix the spurious with the genuine; they comply with high standards of publication and steal book numbers, and they are distributed through network wholesale. In terms of means of publication, these publications are cut and paste jobs, printed at different locations, and distributed in other places. The offenders looked for backers and collaborated with those in legitimate publishing units.

Liu Zhongde, member of this council and deputy director of the CPC Central Committee Propaganda Department, said that this case will be rated as a major and important one in the national campaign to rectify the publications market and wipe out pornography, and will be seriously and carefully handled.

**Bo Yibo Inscribes Title of Book on Party Style**

OW2412155391 Beijing XINHUA Domestic Service  
in Chinese 2130 GMT 23 Dec 91

[Text] Beijing, 24 Dec (XINHUA)—*A New Exploration Into the Party's Style—Guiding Theory on the Study of the Party's Style*, a book written by Professor Zhao Wenlu and other experts on the study of the party's style, was recently published by the Qingdao Publishing House.

*A New Exploration Into the Party's Style*—whose title bears the inscription of Bo Yibo, vice chairman of the Central Advisory Commission—is the first academic work in our country that studies the scientific theory system of the party's style in a systematic manner. Based on the current complicated situations at home and abroad and on the lessons drawn from the experiences in promoting the building of the party's style in the past, the book comprehensively explores the essence, system, mechanism, structure, law, environment, effect, pattern, subject and object, level, psychology, and feedback and regulations of the party's style from different angles, thereby revealing the law, characteristics, and ways for building the party's style and demonstrating a new thinking for the scientific study of the party's style.

**Economic & Agricultural****Li Peng Views Economic Situation, Tasks**

OW2412195491 Beijing XINHUA Domestic Service  
in Chinese 1359 GMT 24 Dec 91

[By Central People's Radio Network reporter Liu Zhenying (0491 2182 5391) and Sun Benyao (1327 2609 1031)]

[Text] Beijing, 24 December (XINHUA)—The State Council held its 12th plenary session in Beijing yesterday. Premier Li Peng pointed out in his speech at the meeting that the nation's economic mission in 1992 will be to further deepen reforms; to open wider to the outside world; and, on the basis of consolidating and developing the achievements made in economic readjustments and rectification and in maintaining an over-all balance, to switch economic work to readjusting the economic structure, achieving higher economic returns, and maintaining sustained, steady, and coordinated economic growth.

Premier Li Peng chaired and addressed the meeting. He said: The State Council proceeded with its projects in 1991 under the leadership of the party Central Committee with Comrade Jiang Zemin as the core. As a result of seriously and actively implementing the basic party line characterized by "one center and two basic points"—a line initiated by Comrade Xiaoping—it has achieved remarkable success in all fields.

Li Peng said: In accordance with the resolution adopted by the Seventh Plenary Session of the 13th CPC Central Committee, the State Council drew up a 10-year program for national economic and social development and outlines of the Eighth Five-Year Plan. After they were approved by the Fourth Session of the Seventh National People's Congress, the State Council presented to the nation the second-step strategic objective of the national economic development in the 1990's.

Li Peng said: Despite external pressure and internal difficulties, and especially when certain areas were hard

hit by serious natural disasters, exceptional achievements have been made in fighting floods and providing relief to flood victims, and we have had another historic year of bumper agricultural production. The total grain output may reach 870 billion jin, and cotton output will exceed 100 million dan. The economic situation as a whole continued to develop soundly. The GNP may top that of last year by 7 percent, the price index may be controlled within 4 percent, and the net growth of foreign trade will exceed 16 percent. Our country now enjoys a thriving market, stable commodity prices, and abundant supply of goods, and the people live and work in peace and contentment. China today enjoys political, economic, and social stability, and people throughout the country are now confidently following the course of building a socialist society with distinctive Chinese characteristics.

Speaking on achievements made in the three-year period of economic readjustments and rectification, Li Peng said: During the past three years, the State Council has firmly implemented the party Central Committee's general policy of carrying out economic readjustments and rectification and deepening reform. On the whole, the mission of carrying out economic readjustments and rectification has been accomplished. The serious inflation problem has been brought under control; the chaotic economic order has been harnessed; the four-year agricultural doldrums has ended; growth has been registered in agriculture, forestry, animal husbandry, sideline production, and fishing; a basic balance has been maintained in overall supply and demand; and the national economy has started to develop in a sustained, steady, and coordinated manner. Even more pleasing, during the readjustments, the nation's reform and open programs continued to proceed appropriately instead of stopping. For example, certain major steps were taken in price reform; major developments were achieved in opening to the outside world; and the last two years were a period that received the most foreign investment and registered the highest growth. Not only have we consolidated the existing special economic zones and economic and technological development zones, but we have also built the New Pudong District in Shanghai, thus enabling the special economic zones and open zones to play the role of "four windows." The reform of the foreign trade system and adjustment of the foreign exchange rates have promoted the development of foreign trade. Progress has also been made in housing, social insurance, and medical reforms and in strengthening macroscopic regulation and control. Not only have we ensured the continuity and stability of various policies adopted after the Third Plenary Session of the 11th CPC Central Committee, but we have also developed them.

He pointed out: The working conference of the party Central Committee last September was a very important meeting. The meeting's historical contributions lie in the fact that it remained sober-minded in the face of a gratifying situation, considered the improvement of large- and medium-size state enterprises as an important

job in consolidating the socialist economic foundation, and stressed the need to replace mechanisms in enterprises, thus reaching the right conclusion in handling the relationship between internal and external causes. The 20-point measures adopted by the meeting are being implemented and initial achievements have been observed. The improvement of large- and medium-size state enterprises is a long-term project that will be carried out with initial results accomplished during the Eighth Five-Year Plan period. The Eighth Plenary Session of the 13th CPC Central Committee that took place in November summed up the rural work accomplished since the Third Plenary Session of the 11th CPC Central Committee. Also a very important meeting, it set the course and formulated comprehensive policies for rural development during the 1990's, and we must earnestly implement these policies.

Li Peng set forth next year's assignments and presented some specific requirements.

**Continue to work hard to create a peaceful international environment and stable and united political situation for economic construction.** Li Peng said: We must continue to implement our independent and peaceful foreign policy and, on the basis of the Five Principles of Peaceful Coexistence, maintain normal and friendly cooperative relations with all countries that are willing to develop friendly relations with China. We should educate the vast number of cadres and masses on socialism and patriotism, unite all forces that can be united, and firmly follow the course of building a socialist society with distinctive Chinese characteristics. Meanwhile, we will consolidate and develop stability and political unity at home through intensifying comprehensive control of public order.

**Economic construction should maintain sustained and steady growth.** He pointed out: We have planned to achieve 5.5-percent growth in our 1992 GNP, but we will try to exceed this goal. We must continue to maintain stable commodity prices and control the index of retail price increase to approximately 6 percent. We must enforce industrial policies and give priority to construction projects relevant to energy, communications, telecommunications, raw and semifinished materials, and housing. The processing industry should concentrate on upgrading the technology of old factories, improving product quality, increasing variety, and gearing its production to market needs. Implementing the 12-point policy, central and local authorities have now raised more funds through various channels for technological upgrading, thus creating a rather favorable external environment for enterprises. This being the case, all departments should concentrate on tapping enterprises' internal potentials and replacing their mechanisms. The 1991 drive to improve quality, increase variety, and raise efficiency has been a success, and the drive should continue next year. We should continue to clear the "chain debts" and guard against building new debts after clearing old debts. We should continue to do a good job in restricting production and reducing inventories of



unsold goods and in linking the reduction with extension of credit, so part of the capital acquired from reducing inventories can be used for technological upgrading next year. A large number of projects of technological upgrading currently have been launched, and efforts should be made next year so some projects will yield results as quickly as possible. Striving for a good agricultural harvest next year remains one project of utmost importance in our economic work. Central China was hard hit by a serious dry spell last fall; therefore, we must provide stronger leadership over agricultural production and intensify wheat field management and replanting so we can have a good harvest of summer grain crop next year. To guide the peasants toward achieving common prosperity, we should continue to maintain the contract system with remuneration based on household output, continue to improve the two-tier operation system that integrates independent and unified management, actively develop socialized services for agricultural production, and gradually strengthen the collective economies.

The havoc wrecked by this year's flooding has aroused the zeal of the whole nation in building irrigation facilities. At the moment, 50 million people are fighting at various work sites. We should properly guide such commendable enthusiasm, work out proper plans, and do our job in a scientific approach. Harnessing the Huai He and the Tai Hu will be the state's priority water conservancy projects next year. The voice supporting the launching of the Three Gorges project currently is getting louder and louder. The party Central Committee and the State Council have always been active but cautious in handling this project, which has attracted worldwide attention. The State Council will examine the plan and will submit the examination results to the party Central Committee and the National People's Congress.

**Reforms should continue to deepen.** Li Peng said: The reform and open policy initiated by Comrade Deng Xiaoping has achieved universally acknowledged successes. China's stability today and the improvement of the people's livelihood can be attributed to this policy. Next year, we will place greater emphasis on reform and proceed actively and steadily in accordance with the principle of "doing everything through conducting experiments in selected areas and placing construction ahead of destruction" [yi qie jing guo shi dian xian li hou po 0001 0434 4842 6665 6107 7820 0341 4539 0683 4275].

He pointed out: Next year's reform will give priority to restructuring enterprises, especially replacing their mechanisms. Guided by the principle of integrating economic planning and market regulation, we will make more enterprises gear their operation to the needs of markets at home and abroad where their goods will be tested. Smashing the "big pot of rice," "iron rice bowls," and "iron chairs" remains the major requirement in restructuring enterprises. Thus, we must revise the regulations governing personnel, employment, hiring of cadres, and internal distribution. To operate properly,

our enterprises still have to follow these three requirements: give scope to the role played by party organizations, which are the political core; uphold and improve the system under which factory directors can take charge; and rely wholeheartedly on the working class.

Li Peng said: The Enterprise Law is in line with China's actual situation, and we must enforce it strictly. The State Council is about to draft some regulations for implementing this law so it can be implemented more efficiently. These regulations will focus on properly handling the relationship between ownership and operating rights and the relationship among the state, enterprises, and individuals and installing mechanisms for controlling distribution and construction investment so, under the state's macroscopic regulation and control, our enterprises can truly become independent economic entities holding themselves responsible for their own profits and losses. Experiments in establishing enterprise groups should continue in selected areas.

Li Peng stressed the importance of reforms in the sphere of circulation. He said: Both industry and agriculture, and both cities and rural areas, must attach importance to reforming the circulatory system next year so the flow of commodities will not be impeded. Many wholesale markets have now been established. We should support these markets so they can develop soundly.

Bigger steps should be taken in housing, medical, and labor insurance reforms next year. It should be pointed out that the masses will not simply be the beneficiaries of the reforms in these three areas; they will share additional burdens, so the reforms will encounter a certain degree of difficulty. While carrying out the reform in these three areas, central authorities should have uniform principles, and local authorities may do whatever is appropriate to the local situation. There should be no arbitrary uniformity. The State Commission for Economic Restructuring and all specialized departments should intensify their leadership and promptly propagate the experiences that they accumulate in this regard.

**Continue to open wider to the outside world.** Li Peng said: China's opening endeavor has maintained a good momentum of development. We should continue to properly operate our special economic zones, economic development zones, and zones for the development of high- and new-technology industries. The state's preferential policies should not be applied only to the foreign-funded enterprises established in these zones but also to all foreign-funded projects that are in line with our industrial policy. He pointed out: The fundamental purpose of our openness remains one of building up our self-reliance capability so we can accelerate the modernization process. Li Peng said: Our work of attracting foreign investment has entered a new period during which we should give priority to attracting high and new technologies and projects that produce popular and competitive goods on the world market. While we should ensure that foreign-funded enterprises receive their legitimate profits, we should manage these enterprises

according to law and continue trying to create a good environment for investment.

**The work in departments in charge of education, science and technology, culture, public health, and the press should also develop and improve accordingly next year.** Li Peng said: Economic development has to count toward advancement in science and technology, which should serve the national economy. We should approach foreign technologies by upholding the principle of digesting, assimilating, and developing them and then coming up with our own innovative ideas. Gratifying successes have been achieved in such major problem-tackling projects of the state as the "863" Program, the Spark Program, the Prairie Fire Program, the Torch Program, and the Bumper Crop Program—and these programs should continue. Li Peng said: People working in the educational sector should consider it their responsibility to improve the quality of the nation, train ethically and professionally competent experts needed in socialist construction, and continue to push educational reform forward. The cultural front should produce more outstanding works worthy of this great era so as to heighten people's patriotic and socialist enthusiasm and conviction. In this age of information, the press plays an enormous role in propagating information, publicizing general and specific policies of the party, reporting socialist construction, and reflecting the demands of the people. It is hoped that the press will make even greater contributions in consolidating and developing the socialist cause. Li Peng said: The life of some public functionaries and intellectuals is still hard. The party and the government are obligated to improve their living and working conditions following the development of production.

**The State Council and its affiliated departments and committees should set examples in fighting corruption and fostering administrative ethics.** Under the State Council and its affiliated departments and committees, there are many units in charge of money and supplies, and they wield considerable powers. These powers are from the people, and they should absolutely not be used for furthering personal interests. The State Council, the highest administrative state unit, should take the initiative in fostering administrative ethics and voluntarily accept supervision from the National People's Congress, the National Committee of the Chinese People's Political Consultative Conference, and the people. It is hoped that the State Council, its departments and committees, and all their affiliated units will continue to place the issue of fostering administrative ethics on their agendas next year, and deal with it until results have been achieved. All departments should make special efforts in dealing with outstanding ethical issues in professions and trades under their jurisdiction and solve those problems that are closely related to the people and that have evoked a strong response among the people. We should always deal with this issue in two areas simultaneously: We should fight corruption and foster administrative ethics while launching reforms, opening to the

outside world, and developing our economy. Li Peng said: The practice of spending public funds on entertaining guests and buying gifts and purchasing high-grade consumer goods and office equipment has reappeared recently, and we should attach great importance to this problem. All units must firmly implement the circular that the State Council has issued on this particular problem.

Li Peng concluded: While forecasting next year's economic situation, relevant economic authorities unanimously agreed that, as result of economic readjustments and rectification, the objective conditions for economic development will be quite favorable next year, that China's economic development will be able to maintain its steady momentum, and that the development will continue to be sound as long as there are proper policies and measures. Meanwhile, these authorities also warned that efforts should be made to guard against a recurrence of overheated economic growth.

Li Peng said: Let us now work hard together and greet the 14th National Party Congress with outstanding achievements made in deepening reform, opening wider to the outside world, and developing our economy.

During the State Council meeting, Vice Premier Zou Jiahua reported on China's economic situation in 1991 and major economic projects in 1992; State Councillor and Foreign Affairs Minister Qian Qichen reported on the international situation and foreign affairs; State Councillor Li Tieying, minister in charge of the State Education Commission, reported on education; State Councillor Song Jian, minister in charge of the State Science and Technology Commission, reported on scientific and technological development; Chen Jinhua, minister in charge of the State Commission for Economic Restructuring, reported on economic restructuring this year; Supervision Minister Wei Jianxing reported on supervisory affairs and improvement of administrative ethics; Li Lanqing, minister of foreign economic relations and trade, reported on restructuring the economic and trade system; Metallurgy Minister Qi Yuanjing reported on the metallurgical industry; Energy Minister Huang Yicheng reported on the development of the power industry; and Textile Industry Minister Wu Wenying reported on the way her ministry surmounted difficulties, organized production, and increased market supply.

Vice Premiers Yao Yilin, Tian Jiyun, and Zhu Rongji; State Councillors Wang Bingqian, Li Guixian, Chen Xitong, and Chen Junsheng; Luo Gan, secretary general of the State Council; and officials of the State Council were present at the meeting.

#### **Meeting on Foreign Trade, Use of Capital Held**

##### **Tian Jiyun Speaks**

OW2512051191 Beijing XINHUA Domestic Service  
in Chinese 1156 GMT 24 Dec 91

[By reporter Zhang Yi (1728 3015)]

[Text] Beijing, 24 Dec (XINHUA)—Vice Premier Tian Jiyun delivered an important speech on China's foreign trade and use of foreign capital at a national foreign trade work meeting today. He emphasized the necessity of maintaining a steady growth of foreign trade, stepping up the reform of the administration system for imports, continuing to use foreign capital positively and effectively, and striving to open the country wider to the outside world next year. Tian Jiyun said: This year is the first year of the Eighth Five-Year Plan, as well as the first year of foreign trade operation under the new system of the foreign trade department assuming sole responsibility for its profits and losses. After making efforts for nearly one year, we have vigorously developed our foreign economic relations and trade, and both the party Central Committee and the State Council are satisfied with it. According to our second-stage economic development objective, we should scale new heights and create a new situation in foreign economic relations and trade. In light of our modernization needs and the international environment, we must keep a relatively higher growth rate in import-export trade.

Tian Jiyun pointed out: In order to bring about a steady growth of exports, we should make great efforts to open up the market in developing countries, the Soviet Union and East Europe, on the basis of consolidating and developing existing markets. To open up new markets, we should create the superiority of the whole by integrating foreign economic relations with trade, and exports with imports in an excellent way. We should strive to implement the export strategy of "winning with good quality." In the 1990's, the international market has set higher and higher standards for commodities in terms of quality, grade, variety, and design, and international competition is unprecedentedly intense. There is no future for us to increase exports by merely increasing the quantity and to compete only with low prices. We should realize that the quality of export goods has a bearing on the image of China's foreign trade, reform, and opening to the outside world; on whether the socialist system can display its superiority; and on whether our foreign trade enterprises can get the best benefits from international exchange.

On the policy of duty refund for export goods, Tian Jiyun pointed out: This measure is an international practice, as well as an important means of supporting the increase of exports. It has been playing an even more crucial role since the start of the new foreign trade system. For this reason, we must do a good job in this regard. The duty refund policy must be carried out thoroughly and resolutely, and the refund must be made according to the actual export achievements, neither smaller nor greater than the exporter is entitled to. Whoever commits the crime of obtaining export duty refund by fraud should be harshly punished.

Tian Jiyun said: Our country will continue to perfect and deepen the reform of the foreign trade system next year. During the year, we have abolished the foreign trade

subsidy, and our foreign trade enterprises have successfully carried out a reform by beginning to assume sole responsibility for their profits and losses, winning praise from foreign countries. Now it is imperative for us to reform the administration system for imports. Our present system, which mainly relies on administrative means to examine and approve or disapprove imports, is not a very effective system, and it needs reform. The reform should be carried out in line with the principle that it will improve China's industrial mix, promote domestic production and construction, help to improve the living standards of the people, ensure the coordinated development of imports and exports, and conform to international trade practice. We should gradually reduce and simplify administrative examination and approval procedures, and formulate adequate import regulations. We should link our import policy to our tariff policy and industrial policy, and gradually build a mechanism which ensures that imports are guided by the industrial policy and are mainly regulated by the tariff, so as to bring about a coordinated development of our imports and exports and make the two promote each other.

On the relationship between imports and exports, Tian Jiyun said: Attention should be given to both imports and exports. The two should promote each other and develop in a coordinated way. To import without any exports is of course impossible. To export only without any imports cannot last long either. Successful imports will promote production and increase exports.

Tian Jiyun pointed out: Some comrades regard imports and the protection of national industry as opposites to each other, and worry that imports will destroy our national industry. Such an understanding is not all-sided. Our country is a developing country in which it is necessary to protect the just-started national industry to a certain extent. However, the protection is for the purpose of promoting development, not for the purpose of protecting the backward. The import of advanced foreign technology and equipment and an appropriate amount of foreign products of the same kind we produce will cause Chinese enterprises to become aware of their shortcomings, and greatly encourage them to undertake technical renovation and upgrade their products. Since the start of reform and opening to the outside world, many trades and professions in China have developed themselves with the import and assimilation of advanced foreign technology on the basis of constantly bringing forth new ideas. Many commodities which we had to import in large quantities not long ago have now become our important export goods.

Tian Jiyun emphasized: The national industry should be protected selectively, not indiscriminately. The protective measures must conform to both China's conditions and international trade practice.

On the use of foreign capital, Tian Jiyun said: An important way to open our country wider to the outside world is to further improve the investment environment,



and to use foreign capital positively and effectively. We should have neither hesitation nor wavering. He said: Our country's use of foreign capital is basically still in the initial stage, and the amount of foreign funds used thus far is not too large, but instead is too small. Some comrades think that our use of foreign funds has gone too fast, worrying that foreign-funded enterprises might upset the leading position of socialist public ownership. Such a view is not all-sided either. Our practice since the start of reform and opening to the outside world, and particularly the practice in special economic zones and coastal open regions, have proved that we certainly have the ability of comprehensively using legal, administrative, and economic means to put joint ventures, cooperative enterprises, and wholly foreign-owned enterprises onto the track of development of socialist planned commodity economy.

Tian Jiyun held: An important task at present is to strive to improve the quality of foreign-funded enterprises and projects, including their economic efficiency and technological level, so that they will be further developed. So, foreign funds should be used to develop the country's agriculture, as well as the energy, transportation, and under-supplied raw materials industries, in line with the state industrial policy and a rational plan. In using foreign funds, we should shift the stress from quantity to quality. In addition, it is necessary to improve the administration of foreign-funded enterprises and do a good job in running existing joint ventures, cooperative enterprises, and wholly foreign-owned enterprises. We should keep improving the policy for using foreign capital, and draft policies to attract some influential foreign enterprises or enterprise groups to invest in some large-scale projects in China, and bring some advanced technology into China.

#### 'More Overseas Markets' Sought

HK2512022891 Beijing CHINA DAILY in English  
25 Dec 91 p 2

[By staff reporter Wang Yong: "Call To Expand Overseas Business in 1992"]

[Text] Next year would be tilted towards exploring more overseas markets, said high-ranking Chinese trade officials yesterday, after a week-long conference on foreign trade, held in Beijing.

"While consolidating our presence in current markets including the U.S. and other Western countries, we should put our best leg forward in the future to develop markets in other countries," said Li Lanqing, the foreign trade minister, at the closing ceremony.

His speech follows his recent signing of a bilateral trade accord with the Republic of Kazakhstan in Beijing.

He urged Chinese enterprises and corporations to establish trade centres and bonded warehouses in the developing countries from mid-1992 to boost China's exports.

Chinese Vice-Premier Tian Jiyun also delivered a lengthy speech yesterday, pinpointing the importance of gaining access to more foreign markets.

In fact, Heilongjiang Province and Xinjiang Uygur Autonomous Region are gathering pace in developing their border trade with the neighbouring Soviet republics. They will hold several large-scale trade fairs next year with their Soviet counterparts.

During the week-long conference, delegates from the country's foreign trade organizations and firms also debated how to improve the quality of export goods.

It was noted that a certain provincial trade company would be deprived of the right of self-decision because it had exported shoddy products to a Western country.

Li pointed out that China is conceiving a strict plan to prohibit its companies from dumping low-quality products abroad.

If all goes as planned, he said, "foreign trade is expected to grow by more than six percentage points in 1992."

#### Trade Ministry To Improve Export Quality

OW2612094791 Beijing XINHUA in English  
0931 GMT 26 Dec 91

[Text] Beijing, December 26 (XINHUA)—China is to issue quality licenses for its exports as an effort to further improve the country's exports quality, according to the Ministry of Foreign Economic Relations and Trade (MOFERT) here today.

Starting in next year, the measure will be first carried out among export-oriented enterprises. It will be fully implemented among such trades as textile, machinery and electronics after trial.

MOFERT and the State Bureau of Building Materials worked out standards for cement exports last year. The ministry issued licenses to those factories which met the standards, and banned some factories which did not reach the standards from doing the export business.

During the past year of implementation, the system has yielded good results.

MOFERT plans to publish the names of qualified factories on newspapers, thus putting them under the supervision of various sectors of the society. Once their goods fail to meet the standards, their export licenses will be revoked and this will be made public through newspapers.

At the same time, MOFERT will strengthen quality control and administration supervision over overseas contract projects and foreign-invested projects in an effort to ensure quality of their products.

Therefore, MOFERT plans to set up a system of reward and penalty and to carry out some quality assessment activities.

**National Meeting on Development Zones Viewed**

OW2412185291 Shanghai JIEFANG RIBAO in Chinese  
7 Dec 91 p 1

[“National Meeting of the Development Zones in Coastal Cities Opens in Shanghai”—JIEFANG RIBAO headline]

[Text] Adhering to the principle of mainly developing industrial projects, of mainly attracting foreign-invested enterprises, and of mainly establishing export-oriented and advanced-technology type enterprises in economic and technological development zones; working hard to raise technological levels and to improve economic efficiency; and enabling economic and technological development zones to play a better “showcase” role in opening to the outside world—these are the economic and technological development zones’ objectives during the Eighth Five-Year Plan period laid down by the National Symposium on Work in the Economic and Technological Development Zones in Coastal Open Cities.

The symposium was held 4-6 December at Shanghai’s Minxing Economic and Technological Development Zone by the State Council’s Special Economic Zones Office. Comrades from 14 economic and technological development zones in various coastal open cities attending the symposium summed up and briefed each other on the progress in their respective development zones since they were established seven years ago. Since construction of these development zones began at the end of 1984, relatively good investment environments have been developed in these zones, gradually making them more attractive to investors. As of the end of September, nearly 30 square kilometers of area for construction use had been developed in these zones, and more than 5 million square meters of industrial plants and supporting buildings had been completed. More than 1,350 foreign-invested projects have been approved for these zones; foreign companies’ contract investments amounted to \$2.5 billion; more than 1,000 enterprises in these zones have begun production operations; and a number of high- and new-technology projects have been established in these zones. Economic development in these zones has reached the stage where, in contrast to the large amount of input during the initial stage of construction, it has gradually decreased. It is expected that the industrial output value of these zones will reach 14 billion yuan this year, and they will export more than \$1 billion worth of products. As a result of improvement in economic efficiency, the average overall labor productivity of the zones exceeded 70,000 yuan, and the zones’ enterprises’ profits and taxes delivered to the government increased 11 and 23 times respectively over 1986’s figures. The zones have played an active role in absorbing foreign funds, in introducing foreign advanced technologies and management experience, and in expanding foreign trade, accelerating the development of coastal open cities’ export-oriented economies.

The symposium held that, after seven years’ construction and development, these development zones had become coastal open cities’ strongholds and showcases in promoting economic activities with the outside world, and “bright prospects” lie ahead of them. The symposium also held that the investment environments in these development zones were only initially developed, that these zones have only just begun to serve their purposes, and that they still fall short of the CPC Central Committee’s and the State Council’s expectations of these zones. The symposium maintained: At a time when challenges and opportunities exist simultaneously, we should have a strong sense of urgency and responsibility and should work in a down-to-earth manner to create a new situation and bring ourselves to a new level. Responsible comrades of various development zones, of concerned provinces and cities, and of relevant departments of the State Council attending the symposium pooled their wisdom and discussed this subject in depth.

He Chunlin, deputy secretary general of the State Council and director of the State Council’s Special Economic Zones Office, summed up participants’ opinions and made a summing-up speech at the symposium.

He Chunlin said: On the basis of the achievements development zones have made, we should truly shift the center of our work to raising technological levels and improving economic efficiency. During the Eighth Five-Year Plan period, we should firmly carry through the party Central Committee’s and the State Council’s policies concerning economic and technological development zones; we should adhere to the principle of mainly developing industrial projects, of mainly attracting foreign investment, and of mainly establishing export-oriented and advanced-technology type enterprises in development zones; we should strive to import a number of technologically advanced projects; we should increase the percentage of high-technology projects; and we should enable economic and technological achievements to benefit other areas. We should strive to improve management, raise management standard, make the most of enterprises’ inherent potential, exert ourselves to improve economic efficiency, and make constant efforts to improve enterprises’ profitability and self-development abilities.

He Chunlin pointed out: Development zones should rely on and serve old urban areas. They should lay a foundation for local development so that the open cities in which they are located can gain more energy in developing export-oriented economy. Development zones should play a leading role in attracting foreign investment; they should serve as catalysts in promoting international economic cooperation and technical exchange, in importing advanced technologies, and in readjusting the industrial structure; and they should serve as pilot points in restructuring the economic system. Furthermore, they should train specialized people for the cities in which they are located and make themselves real and important “windows” for the country’s open policy.

He Chunlin stressed that leaders at all levels of development zones should make earnest efforts to step up building the socialist spiritual civilization and, in conducting economic activities and other work with the outside world, should adhere to the policy of reform and opening up while upholding the four cardinal principles. He said special stress should be placed on building leading bodies into leaders who will work dutifully for the people, work hard to achieve new developments, promote administrative honesty, and pave the way for future development.

Mayor Huang Ju attended yesterday's session and wished the symposium a complete success. He said: At this symposium, comrades from development zones in our fraternal provinces and cities reviewed what they have been through in the past few years and exchanged their experience. This is a rare opportunity for comrades in Shanghai to learn something. We should earnestly study the valuable experience in constructing development zones in our fraternal provinces and cities so that we can raise construction of Shanghai's development zones to a new level.

Huang Ju said: Construction of Shanghai's development zones began in 1984. We started late and, compared with development zones in other localities, ours are smaller. Nevertheless, after a few years' efforts they are initially developed, and the development trend is very good. In the future we will adhere to the principle of mainly developing industrial projects, of mainly attracting foreign funds, and of mainly developing export-oriented enterprises in development zones; we will strive to raise our technological level and improve our economic efficiency in order to accelerate the development of Shanghai's export-oriented economy.

Huang Ju also briefed symposium attendees on the idea of developing Shanghai's Pudong New Area. He said: In developing the Pudong New Area, we should adopt the merits of economic and technological development zones and special economic zones, develop both industrial production and tertiary industry, construct new urban centers and transform old ones, and attract domestic funds while introducing foreign funds in order to find a new way to develop the new area.

During the session of the symposium, He Chunlin and Huang Ju also held a meeting with responsible comrades of some development zones on development zones' construction and management. Huang Ju said Shanghai will step up economic cooperation and exchange with fraternal localities, and welcomed other localities to participate in developing the Pudong New Area.

Responsible comrades of concerned departments of the State Planning Commission, the Ministry of Finance, the Ministry of Foreign Economic Relations and Trade, the People's Bank of China, the General Administration of Customs, the State Administration of Taxation, and the

State Land Administration Bureau voiced their opinions at the symposium on how to further improve work in development zones.

The symposium was presided over by Zhao Yundong, deputy director of the State Council's Special Economic Zones Office. On behalf of the Shanghai Municipal Government, Vice Mayor Ni Tianzeng delivered a speech at the opening ceremony of the symposium. Vice Mayors Liu Zhenyuan and Zhao Qizheng took part in the symposium's activities. During the session of the symposium, attendees visited the Minxing, Hongqiao, and Caohejing Development Zones; as well as the Pudong New Area's Waigaoqiao Bonded Area, Jinqiao Export Processing Zone, and Lujiazui Finance and Trade Zone.

#### State Council Urges Stronger Tax Administration

OW2012171291 Beijing XINHUA in English  
1509 GMT 20 Dec 91

[Text] Beijing, December 20 (XINHUA)—The State Council, China's highest governing body, recently approved of a circular drafted by the State Administration of Taxation, which demands for further strengthening the Administration of Taxation.

Meanwhile, the State Council issued instructions, calling on all provincial, regional and municipal governments and ministries, commissions and departments directly under the State Council to conscientiously carry out the circular.

According to the circular, taxation is one of the country's most important sources of revenue and an extremely important economic macro-control for the national economy. As a result, taxation departments play a pivotal role in the realization of China's second economic strategic goal of socialist modernization and ensuring state revenue.

The circular points out that tax revenue has increased rapidly since the Third Plenary Session of the 13th Central Committee of the Communist Party of China in 1989 which listed the administration of tax revenues as an important item necessary for rectifying the national economic order.

However, the circular also pointed out that the administration of tax revenues continues to face many new challenges and a number of problems remain to be solved.

Efforts to strengthen the administration of taxation and rectify taxation in accordance with law must be promoted further in order to bring the macro regulation and control functions into full play.

Therefore, the State Council instructed all departments involved in planning, public security, railways, transportation and posts and telecommunications, as well as banks, industrial and commercial managers and customs



departments at all levels to coordinate with taxation departments to strengthen the administration of taxation.

In addition, court and procuratorate departments throughout the country are required to support the work in order to contribute to balancing state revenues and expenditure, and to promote the national economy in a sustained, steady and coordinated way.

The circular noted that since 1987, the country's administration of tax revenues has improved greatly. For example, in 1990, China's tax revenue from industrial and commercial departments increased by 4.5 percent over the figure for 1989 despite the severe economic situation facing China because of the economic rectification drive.

The circular went on to say that many problems still exist in regards to the administration of tax revenues, including illegal exemptions or reductions in taxes practiced by some local governments, as well as tax evasion and the poor quality of cadres in many taxation departments.

In order to strengthen the administration of tax revenues the circular specifies:

- taxation departments are authorized to decline any inappropriate demand by local governments and departments to exempt or reduce taxes for products or enterprises,
- strict adherence to taxation policies by the state's large- and medium-sized enterprises,

- strengthened administration of tax revenues for individual and private businesses and foreign funded enterprises,
- steady promotion of tax reform,
- improvements in the quality of cadres in tax revenue departments,
- and, governments at all levels should pay attention to and support the administration of taxation.

#### **Beijing Deepens Campaign Against Graft, Bribery**

OW2612054091 Beijing XINHUA in English  
0049 GMT 26 Dec 91

[Text] Beijing, December 26 (XINHUA)—The campaign against graft and bribery in Beijing is going on deeper as a great number of economic criminals have been uncovered.

However, He Fangba, chief procurator of the Beijing People's Procuratorate, said that it will be still the main task of the people's procuratorate next year to continue the campaign combating graft and bribery.

According to the chief procurator, the cases of graft and bribery are increasing in Beijing now while there are more and more crimes involving huge sums of money.

Over the past 11 months this year, the Beijing People's Procuratorate has filed 923 cases involving graft and bribery under investigations, 262 of which are big cases.

During the campaign against graft and bribery, the Beijing People's Procuratorate has restored 21.2 million for the state.

## East Region

### Anhui Enterprises Seek Growth Through Technology

OW1912182591 Beijing XINHUA in English  
1301 GMT 19 Dec 91

[Text] Beijing, December 19 (XINHUA)—Anhui Province in eastern China is seeking to boost its comparatively backward industry through scientific and technological development. During the Seventh Five-Year-Plan period (1986-1990), the province invented a total of 12.6 billion yuan in technical renovations, more than twice the money used in this field in the Sixth Five-Year-Plan period (1981-1985).

Technical renovations have resulted in 56.8 billion yuan of additional economic returns, and an increase of 14 billion yuan in pre-tax profits.

Together with the development of traditional industries such as coal, steel, chemical and metallurgical industries, industries such as that of machinery, electronics, and building materials have enjoyed the quickest growth in the past few years.

Some of the province's products, especially household appliances, have gained favorable reputations among domestic and foreign consumers.

### Large Enterprise Group Established

OW1812075991 Beijing XINHUA in English  
0734 GMT 18 Dec 91

[Text] Beijing, December 18 (XINHUA)—With approval from the provincial government, a large enterprise group was set up recently in Tongling city in east China's Anhui Province.

The group, one of the first of its kind in the province, consists of three large-sized enterprises including the Tongguangshan Chemical General Company, Tongling Ammonium Phosphate Factory, Tongling Xinqiao Sulphur and Iron Mine, and four other backbone enterprises.

The industrial output value in the group, which has fixed assets of 506 million yuan, is 520 million yuan, accounting for 92.3 percent of the total value of the Tongling Chemical Company.

The group now has more than 12,000 employees including 1,300 technical personnel.

### Xiamen Attracts Overseas Visitors, Investment

OW2412131391 Beijing XINHUA in English  
1014 GMT 24 Dec 91

[Text] Xiamen, December 24 (XINHUA)—The Xiamen Special Economic Zone (SEZ) has attracted over one million overseas visitors in the past decade, and most of them had come to get information or sign contracts for the country's vast market.

According to statistics, some 153 projects directly funded by overseas investors have been set up in the SEZ. The total investment from overseas in the SEZ has exceeded 2.48 billion U.S. dollars. Over 90 percent of the overseas-funded enterprises in the SEZ are making profits.

In 1990 alone, more than 50 delegations from other provinces of the country came to Xiamen to contact overseas investors.

More than 1,100 jointly-run enterprises have been set up in the SEZ by 25 state ministries, 23 provinces and cities and 30 institutes of higher learning from other parts of the country.

Overseas investors are increasingly paying attention to the SEZ as a gate to enter the vast market of the country.

At this year's Xiamen foreign investment and trade fair, an annual event started in 1987, some 1,742 investors from 28 countries and regions attended. About 2,000 people from over 20 provinces and state ministries of the country participated in economic and trade talks.

During the talks, a total of 871 contracts had been signed, involving a total overseas investment of 1.415 billion U.S. dollars. Letters of intent were signed involving an additional 749 million U.S. dollars.

Over 360 overseas enterprises have set up permanent liaison offices in the SEZ, besides more than 300 offices representing governments of provinces, cities and counties in other parts of the country.

### Jiangsu Department Moves To Support Agriculture

OW2312055091 Nanjing Jiangsu People's Radio  
Network in Mandarin 1015 GMT 22 Dec 91

[From the "News" program]

[Text] The provincial Administration of Industry and Commerce, seriously implementing the guidelines of the Eighth Plenary Session of the 13th CPC Central Committee, has promptly formulated measures to support rural reform and invigorate the circulation of farm products. Based on recent surveys conducted by its investigation groups in areas of different economic situation in southern, central, and northern Jiangsu, the administration has formulated 24 measures to further support rural reform and invigorate the circulation of farm products, with emphasis on supporting agriculture in four respects.

First, it will exercise its overall industrial and commercial management functions to promote the establishment of rural collective economy organizations and socialized service system for agriculture. It will support the economic development in poor villages of northern Jiangsu and in old revolutionary base areas in Maoshan and Huangqiao. Second, it will actively take effective measures to further support the sound development of village and township enterprises and strive to provide

services to those enterprises. Third, it will pay attention to the building of market for agricultural and sideline products, promote sustained development of country markets, and take a further step to invigorate the circulation of agricultural products. Fourth, it will strengthen supervision and management, maintain rural market order, and create a good external environment for rural economic development.

### **Jiangsu To Develop Yangtze Economic Belt**

*OW2412183491 Beijing XINHUA in English  
0914 GMT 24 Dec 91*

[Text] Nanjing, December 24 (XINHUA)—East China's Jiangsu Province plans to concentrate on the development of the industrial cities along the Yangtze River to form an economic development belt in the next decade.

The economic development belt will extend between Shanghai city to the east of the province and Nanjing city, the capital of the province. Some seven cities and 37 subordinate counties are included in the belt, including Suzhou, Wuxi, Changzhou, Nantong, Yangzhou, Zhenjiang and Nanjing.

Covering more than half of the land area of the province, the cities and counties have registered a gross national product (GNP) of 96.93 billion yuan in 1990, accounting for 73.7 percent of the total of the province.

The province will put great emphasis on the development of the areas in the eastern section of the economic development belt, where the country's most industrialized zones are located, such as Shanghai city, and Jiangyin and Jingjiang Counties.

In the past decade, the province established a number of high-tech industrial development zones along the Yangtze River.

According to the blueprint drafted by the provincial government, Jiangsu will form an even larger high-tech development zone in the eastern part of the province on the basis of two high-tech zones, namely, the Suzhou-Wuxi-Changzhou Torch High-Tech Development Zone and the Nantong High-Tech Enterprises Development Zone.

The most important part of the province's plan in the development of the Yangtze economic belt is to establish an industrial center at Jiangyin, located roughly in the middle of the belt.

Jiangyin city and neighboring Zhangjiagang city are located opposite from Jingjiang city across the Yangtze River. They form the triangle at the Yangtze River which is the largest revenue resource of the province.

According to the province's plan, the three cities will be merged into one, forming an economic base that will serve as the backbone of the Yangtze economic development belt. To take full advantage of convenient water transportation, the province will place a number of

heavy industries on the side of the Yangtze River, including chemical and metallurgical industries.

The province will also build artery railways along the Yangtze River, so as to connect the cities in the economic belt with the Pudong development area in Shanghai.

To ensure the power supply of the economic development belt, the 2.7 million kilowatt Ligang Power Plant, the largest thermal power plant to be built in China, will be constructed at the Yangtze River.

### **Shanghai To Expand Stock Market Activities**

*OW1312082391 Beijing XINHUA in English  
0748 GMT 13 Dec 91*

[Text] Shanghai, December 13 (XINHUA)—The Shanghai Stock Market is set to expand its business activities to international securities markets and balance trading in shares and bonds.

Zhou Zhengzhi, vice director of the Shanghai branch of the People's Bank of China, made the remarks at an international seminar held here today. The seminar was sponsored by the Shanghai Stock Market, the law offices of Baker and MacKenzie, and the liaison office of the WEN WEI PO from Hong Kong.

Zhou, who is also in charge of the city's securities market, said that Shanghai has passed through two stages in the development of its securities market, namely the opening of securities trading and the establishment of the Shanghai Stock Market.

According to Zhou, the next stage will include the further development of the stock market and development of a complete securities market system.

Zhou said the People's Bank of China will provide favorable conditions which will allow the city's securities market to evolve. He said that initially the Shanghai Securities Market will expand its business scope to cover other parts of the country, including Hong Kong and Macao, and the Asia-Pacific region. In addition, he said the securities market will increase its business standards to a level which is in line with the standards of the international market. And, finally, according to Zhou the market will gradually alter the domination of bond trading in the market in order to attain a balance between the trading in both shares and bonds.

The city will adopt concrete measures to increase the variety and volume of bonds, said Zhou. At the same time, he said, the city will explore new ways to attract foreign funds by issuing the special renminbi backed bonds to foreign investors.

Zhou emphasized that laws and regulations will be drafted to accelerate the internationalization and standardization of the securities market.



### Stock Exchange President Interviewed

OW2412090491 Tokyo KYODO in English  
0749 GMT 24 Dec 91

[Text] Shanghai, Dec. 24 KYODO—The head of the Shanghai Stock Exchange said Tuesday the value of securities traded on the exchange so far this year is 2.3 times greater than that of over-the-counter dealings in the five-year period which ended in 1990.

Exchange President Wei Wenyuan said in an interview with KYODO NEWS SERVICE that the value of transactions for the year has reached 8 billion yuan (192 billion yen) on the exchange which opened in December 1990.

The share of stocks in all transactions has also increased to 21 percent, up from 2 percent in over-the-counter trading during the preceding five-year period, he said.

Government bonds accounted for 65 percent of the total value, while bank and corporate bonds contributed 14 percent, he said.

Wei added that two more foreign companies will be listed on China's first major stock exchange by the end of this year, expanding to 10 the number of non-Chinese firms registered.

He also noted that among Chinese Government-owned enterprises, only small, profitable ventures will be allowed to issue shares.

### Analysts Report Recovery of Shanghai Market

OW2412034591 Beijing XINHUA in English  
0321 GMT 24 Dec 91

[Text] Shanghai, December 24 (XINHUA)—The sales volume of the Shanghai market has been on the rise for 16 months according to a recent government report.

Market analysts said that the current market situation in Shanghai can be described as sustained and balanced, and that Shanghai has finally recovered from a sluggish market that has been bothering the city for a couple of years.

By the end of November, total retail volume had reached 36.5 billion yuan, 15 percent over the same period last year; and the year's total is expected to surpass 40 billion yuan, the highest ever in history.

Quarter increase margins this year have been varying from 12 to 17 percent—the curve line matches the changes of the off and peak seasons.

Production has also kept pace with the market. The average industrial production growth this year is about 13 percent, and 99 percent of the industrial products have been sold.

But, economists pointed out, even if 1 percent of the products are unsold it means a 1 billion yuan stockpile of goods has accumulated.

Since the beginning of this year, the city has re-adjusted 13 percent of the product mix. Some 300 kinds of newly developed products have been put on the market and have gained 6 billion yuan of output value.

According to statistics from Shanghai's biggest department store, the Shanghai No. 1 Department Store, the sales volume of new products makes up about 20 percent of its 30,000 kinds of commodities.

Economists estimate that next year, the sales increase is expected to remain at 10 percent.

### Shanghai To Open Country's 1st Free Trade Zone

OW2612093491 Beijing XINHUA in English  
0749 GMT 26 Dec 91

[Text] Shanghai, December 26 (XINHUA)—Approved by the State Council, China's first free trade zone is scheduled to open next month in outer Gaoqiao of the Pudong Development Zone in Shanghai city, east China.

The construction of the first phase of the separation wall of the free trade zone was completed yesterday.

The first phase of the zone covers an area of 0.7 square kilometers and a 4-kilometer-long separation wall.

Overseas firms are allowed to set up trade agencies to conduct business of re-exports, exports and imports of raw materials and machine parts manufactured by foreign-funded firms in the zone. It enjoys more preferential treatment.

A total of nine projects involving funds from Hong Kong, Japan, Singapore and Taiwan have been approved to be built in the zone. The projects, mainly of electronics, electric household appliances, food processing and storing, have a total investment of 100 million U.S. dollars and cover an area of 210,000 square meters, according to Ruan Yanhua, general manager of the Shanghai Outer Gaoqiao Free Trade Zone Development Co. Ltd.

Ruan said that a customs office will be set up in the free trade zone.

The zone plans to gradually expand its areas by 1.68 square kilometers in 1993 and another 2.8 square kilometers in 1994.

Some legal provisions and regulations have been announced by China Customs and the Shanghai Municipal Government to guarantee the legal rights and interest of both Chinese and overseas investors in the free trade zone.

### Farmland Sold To Build Factories in Pudong Area

OW2412030091 Beijing XINHUA in English  
0232 GMT 24 Dec 91

[Text] Shanghai, December 24 (XINHUA)—Both domestic and foreign businessmen are buying a tract of

farmland in the Pudong New Area, on the east bank of the Huangpu River in Shanghai, to start new ventures.

In the Jinqiao Export Product Processing Zone, a parcel of farmland with 0.47 sq km has been ordered by nearly 20 companies, both domestic and foreign. The total sum of investment will amount to 200 million U.S. dollars to open enterprises with high technology, high returns and low pollution.

The enterprises, which will share the parcel, include those producing medicine, cosmetics and paint. Many of them have started construction or are going to begin production.

In other parts of the area, some companies are transferring the possession of their spare land in order to build funds for investment.

There are four real estate companies in the development zone, including one wholly foreign-funded company.

#### **Overseas-Funded Businesses Grow in Pudong Area**

OW2512115291 Beijing XINHUA in English  
1017 GMT 25 Dec 91

[Text] Shanghai, December 25 (XINHUA)—The Pudong New Development Zone in the eastern part of Shanghai, China's leading manufacturing center, now has 160 overseas-funded businesses involving a total investment of 510 million U.S. dollars, and of the amount, some 200 million U.S. dollars are from overseas.

Of the 160 projects, 136 are Sino-foreign joint ventures, eight are co-operative enterprises, and 16 are solely funded by overseas investors.

Among them, 89 involve investors from Hong Kong, 18 have investment from the United States, and 15 from Japan, with the rest being from Taiwan, Germany, France, Britain, Thailand, Singapore, and Canada.

Of the investment, 85 million U.S. dollars are from Hong Kong, 33 million U.S. dollars are from Britain, and 32 million U.S. dollars are from the United States.

Some 152 of the 160 projects are manufacturing businesses. The rest are service companies.

### **Central-South Region**

#### **Guangdong Denies Ban on Christmas Activities**

HK2512045191 Hong Kong WEN WEI PO  
in Chinese 25 Dec 19 p 3

["Dispatch" by staff reporter: "Guangdong Province Denies Reported Ban on Christmas Activities"]

[Text] Guangzhou, 24 Dec (WEN WEI PO)—The Guangdong provincial government's news spokesman today verified that not a single unit in Guangdong has banned Christians from carrying out Christmas activities.

Recently, some Hong Kong media spread rumors which said Guangdong Province had taken measures to ban Christmas celebration activities.

To verify the news, this reporter interviewed the Guangdong provincial government's news spokesman. The spokesman pointed out: Freedom of religious belief is the basic right stipulated by the PRC Constitution for the citizens. Citizens have the freedom to believe in religion and the freedom to not believe in religion, as well as the freedom to disseminate "atheism." The citizens who have religious beliefs and the citizens who do not are all protected by Chinese law.

To the best of the government's knowledge, not a single unit in Guangdong has issued notices or any other documents to ban religious activities. When some Hong Kong media spread the rumor saying that Guangdong Province has banned Christians from carrying out Christmas activities, they had secret intentions, if their reports were not irresponsible and erroneous.

#### **'Serious Economic Criminals' Executed in Guangdong**

HK2512074691 Beijing ZHONGGUO XINWEN SHE  
in Chinese 0940 GMT 24 Dec 91

[By Mo Fei (5459 7236): "Guangdong Executes Six Serious Economic Criminals"—ZHONGGUO XINWEN SHE headline]

[Text] Guangzhou, 24 Dec (ZHONGGUO XINWEN SHE)—In Guangdong Province today, the five cities of Shenzhen, Zhangjiang, Jiangmen, Qingyuan, and Guangzhou held executive pronouncement meetings on harshly punishing serious economic criminals. Gao Xiangsen, Ye Shuzhang, Zhang Wenlie, Tang Baiheng, Yi Fang, and Liu Xiaohu, six serious economic criminals, were executed.

According to a person from the Guangdong Provincial Higher People's Court, the cases were serious economic cases which caused great social uproar earlier. The criminals abused power for private ends, the amounts involved in the crimes were extraordinarily big, and the cases were extraordinarily serious.

Gao Xiangsen, former manager of CITIC [China International Trust and Investment Corporation] Industrial Bank, Shenzhen branch, used the opportunities arising from approving loans and from acting as guarantor for some units which borrowed from banks outside the borders to receive bribes amounting to 630,300 yuan, 1,723,000 Hong Kong dollars, and \$5,000 total. Ye Shuzhang, former member of the Standing Committee of Lianjiang County CPC Committee and manager of the Changqing Fruit Farm, used his power to hire cadres,

promote cadres, make transfers, approve reimbursements, and assign contracts for capital construction projects to ask for and receive bribes amounting to 238,600 yuan. Zhang Wenlie, former head of Yingde County Public Security Bureau, used his power to approve household registrations, "make transfers from agricultural to nonagricultural operation," and issue exit visas to ask for and receive bribes amounting to 189,400 yuan and embezzle public funds amounting to 2,000 yuan. In addition, he could not explain the lawful sources of property amounting to 92,500 yuan. Tang Baiheng, former manager of the Jiangmen City Sanheng Tile and Kitchen Facilities Industrial Company, embezzled public funds amounting to 1,821,300 yuan in order to pay gambling debts. Yi Fang, former booking-office clerk at the CAAC [Civil Aviation Administration of China] Guangzhou Administration Bureau Transportation Company, collaborated with her husband, Liu Xiaohu, in embezzling more than 3,000,000 yuan by selling airline tickets.

#### **Further on Gao Xiangsen Case**

OW2512023291 Beijing XINHUA in English  
0210 GMT 25 Dec 91

[Text] Guangzhou, December 25 (XINHUA)—Gao Xiangsen, a bank official in Shenzhen was executed by shooting in Shenzhen yesterday for accepting an exceptionally large amount of bribes.

Gao, 50, was the former director of the Shenzhen Branch of the Industrial Bank of China International Trust and Investment Corporation (CITIC).

Gao was convicted of accepting bribes totally 1.73 million Hong Kong dollars, 632,300 yuan renminbi and a single bribe of 5,000 U.S. dollars from June 1988 to July 1990 when he took advantage of his position to approve and guarantee 52 loans to 14 local companies and individuals.

Gao Xiangsen was sentenced to death by the Shenzhen Municipal Intermediate People's Court on September 3 this year after two-day public trial on August 16 and 17. Gao refused to accept the verdict and lodged an appeal with the Guangdong Provincial Higher People's Court. The Higher People's Court maintained the first verdict.

Several other criminals involving major economic cases have also been executed by shooting yesterday.

#### **Li Changchun Inspects Jiaozuo, Views Reform**

HK2312015191 Zhengzhou Henan People's Radio  
Network in Mandarin 2300 GMT 19 Dec 91

[Excerpts] While conducting investigations and studies in Jiaozuo, Governor Li Changchun pointed out: To implement the spirit of the Eighth Plenary Session of the 13th CPC Central Committee and deepen rural reform, we must:

1. Focus on building a relatively comfortable life, which is our general objective for work in rural areas;
2. Develop the rural economy in a comprehensive way, which is the basic way to build a relatively comfortable life;
3. Vigorously develop a socialized service system, which is the first task for building a relatively comfortable life; and
4. Keep tabs on strengthening party branches in rural areas, which is the organizational guarantee for building a relatively comfortable life.

Comrade Li Changchun made investigations and studies in Jiaozuo 16-18 December. Accompanied by Zhang Guorong, Jiaozuo CPC Committee secretary, and Acting Mayor Guo Anmin, Li Changchun went to the mountain areas in the western part of (Xuyuanishi) to visit drought victims. The areas have been afflicted with severe drought and in some villages, peasants have harvested nothing in three quarters. The masses are disturbed by difficulties in getting enough grain and drinking water, and in production and daily life. While committing the provincial government to send relief funds and supplies, Li Changchun called on all levels of party committees and governments in Jiaozuo to organize rescue operations in a proper way. [passage omitted]

Li Changchun said: The drought is worsening. The situation is desperate. To guarantee there will be a good grain harvest next summer, governments at all levels must try their best to make a success of field management, which centers on fighting the drought to keep a full stand of seedlings. [passage omitted]

While in Jiaozuo, Li Changchun also inspected rural enterprises, factories, and schools. [passage omitted]

At a forum attended by responsible members concerned from Jiaozuo CPC Committee and government, Li Changchun made an important speech.

Li Changchun pointed out: The CPC Central Committee's decisions on revitalizing state-owned large and medium enterprises and on strengthening agriculture and rural work are programmatic documents, which put forth important measures for quadrupling the 1980 GNP [gross national product] by the end of this century and building a relatively comfortable life; and also concern our efforts to strengthen the party's cohesive force and resist peaceful evolution, a political issue. To invigorate large and medium enterprises, we must deepen the enterprises' internal reform and change their operational mechanism. To this end, the most important thing is to change the present practice, by which cadres are appointed, to a new practice by which they are engaged by contract. [passage indistinct] Our cadres must be ready to work both at the top and at the grass roots. Loss-making companies must be closed down. The distribution system of "to each according to his work" must be put into effect so that workers will receive higher or



lower incomes. We must carry out reform in labor employment, optimize labor composition, and introduce an all-personnel contract system. Enterprises must be allowed to recruit or dismiss workers. To improve external conditions for enterprises, we must change government functions and provide better services to enterprises to create a favorable minor climate. While carrying out reform, enterprises must promote technological transformation. We should arouse workers' and operators' enthusiasm through reform and improve production conditions through technological transformation, really relying on scientific and technological progress and improving the quality of the work force for better economic efficiency. [passage omitted]

Li Changchun went on: To carry out the spirit of the Eighth Plenary Session of the 13th CPC Central Committee and deepen rural reform, we must carry out rural work with the aim of achieving a relatively comfortable life, as demanded by Comrade Hou Zongbin. We must keep tabs on the following in deepening rural reforms:

1. Stabilizing and perfecting the responsibility system mainly involving contracts on a household basis linking remuneration to output.
2. Improving the dual management system combining unified and independent operations.
3. Vigorously developing a socialized service system for agricultural production.
4. Consolidating and expanding the collective economy.

The plan to build a socialized service system is determined by phased agricultural development and the objective of building a relatively comfortable life. [passage omitted]

#### Article Views Western 'Human Rights Offensive'

HK1912100091 Zhengzhou HENAN RIBAO in Chinese  
29 Nov 91 p 3

[By Ge Jiqian (5514 4764 6197): "Understanding Human Rights Issue From High Plane of Opposing Peaceful Evolution"]

[Text] At present, human rights has become an important issue of common concern in the international community, and also an important part of the international political struggle. Some Western countries consider themselves to be "guardians of human rights." They interfere in other countries' internal affairs under the pretext of the human rights issue, pursuing their hegemonism and power politics, and regard it as an important means for carrying out peaceful evolution in socialist countries. Therefore, in the struggle to oppose peaceful evolution, we must hold high the banner of Marxism, treat human rights as an urgent and long-term strategic task, and foil the "human rights offensive" by the international hostile forces.

#### I. Mingling Various Contacts Among Nations With Human Rights Issue To Pursue Extensively Their "Human Rights Diplomacy" is an Important Means Adopted by the Western Hostile Forces To Carry Out Peaceful Evolution in Socialist Countries

At present, the human rights issue involves political and diplomatic struggle and also economic and cultural relations. Western countries spare no efforts pursuing their "human rights diplomacy" under the pretext of human rights. In contacts among nations, they use human rights issues to put pressure on socialist countries, trying to "bring about changes through exerting pressure." Almost all Western political figures who have visited China recently have implicitly or explicitly stated that they are "concerned with" human rights issues in China. This has been manifested in the following three aspects: First, they put forward the "theory on the extension of human rights" by linking the internal affairs of a country and contracts of various nations with the human rights issue. Second, they wantonly preach the theory that "human rights must be placed above sovereignty," stressing that "when enacting or enforcing the law of a sovereign state violates minimal human rights, and can be justifiably interpreted as shocking human conscience, human rights law is higher than the law of the sovereign state." Third, they do everything possible to publicize the "theory on humane interference," saying that "if a country has committed the sin of using force against, or persecuted, the people of the country to negate their basic human rights or shock the human conscience, interference for humanity's sake is permitted by law." All this has provided theoretical bases for Western countries to pursue their "human rights diplomacy," interfere in other countries' internal affairs, and carry out their power politics.

They step up their ideological and cultural infiltration in socialist countries under the banner of human rights. As early as during the cold war period, Western countries formulated their propaganda policy on human rights directed against socialist countries. They said: We must stress that socialism is a totalitarian society in which it is impossible to have human rights and bring human nature into play. Dulles once said: It is necessary to propagate human rights in socialist countries and let the Western value concept infiltrate into them. We should teach young people there to sing American songs and dance American dances. In the end they will be able to think in a manner advocated by our church." Some American congressmen said frankly: "There is no such thing as a free lunch." In other words, all exchanges and aid to socialist countries are not provided free. They must become channels and means for disseminating the ideas of the foundation of the United States; namely, "democracy, freedom, and human rights." They view such infiltration from a strategic plane and are determined to maintain cultural exchanges to "promote infiltration through exchanges" no matter how difficult this is.

Making use of human rights issues to support dissidents in socialist countries and foster political opposition is an important aim of the Western countries in propagating

human rights issues and carrying out peaceful evolution in socialist countries. An important Western political figure said openly that the purpose of extensively talking about human rights in socialist countries is to support and encourage dissidents there. In his book *The Grand Failure*, Brzezinski points out very clearly: "It is of immense influence and great significance to advocate respect for human rights because it will speed up the process of the decline of communism. Human rights are the most attractive political concept in the contemporary era. The West shouts as loud as possible for respect for human rights and this has put all communist countries on the defensive." He adds: "Actively propagating respect for human rights has provided theoretical bases for carrying out the activities of striving for democracy in a more direct manner. These activities are helpful to the continuous growth of those nongovernmental organizations which are bearing increasingly strong independent natures and political coloring under the communist system" and, when the time arrives, they will press for talks on a peaceful transition of power. This is the best footnote for the West's "human rights offensive."

Those who stubbornly stick to the bourgeois liberalization stand always attack our party and government under the pretext of human rights. Fang Lizhi said: "There are not even minimal human rights on the mainland." He added: "We must break through the forbidden zone of human rights." Wan Runnan stressed: It is necessary to make use of human rights issue to put pressure on the CPC. Some bourgeois liberalization elements have no scruples in betraying their own dignity, and openly state that they want to become citizens of the world in order to enjoy human rights. They intend to fight the party and government for "human rights." Making use of the mental state of certain persons, they wantonly publicize the bourgeois view of human rights. This has had a very bad influence on the masses, on young students in particular.

It is obvious that at present the struggle between the two social systems and that between the two ideologies involving the human rights issue is a shocking one. Since it is an important question in the struggle between peaceful evolution and counter-peaceful evolution, we must not treat it lightly.

**II. The CPC and the Chinese Government Have Made Protracted and Unremitting Efforts To Strive for, Defend, and Develop Human Rights in China; We Have Made Tremendous Achievements; We Are in the Right, Self-Confident, and Can Look Unashamed Regarding Human Rights Issues**

The bourgeoisie does not have a patent on human rights. In the struggle against the feudal autocratic system, the bourgeoisie raised the human rights slogan for the first time, in its own interest. However, it is the proletariat which truly attaches importance to human rights because its goal is the thorough emancipation of all mankind. It fights for the human rights of all mankind. It was Marx who truly established the theory on human rights. Marx

and Engels inherited the fine cultural heritage of mankind and developed Marxist theories on human rights in the theoretical system of scientific socialism. Marxism held that human rights are not endowed by nature and that they are determined by the social mood of production. Human rights are not abstract but concrete. They are not perpetual but changing and developing. Human rights should be the unity of opposites of rights and obligations. Marx called on the proletariat to seize their own human rights in their struggle against the bourgeoisie, including rights to existence, rights to work, rights to property, rights to freedom, rights to equality, rights to democracy, and so on. Since the day of its birth, the CPC, which takes Marxism as its guidance, has persisted in and practiced Marxist viewpoints on human rights; and regarded communist society, which can guarantee the rights to existence and development for the majority of people, as its objective of struggle. Modern Chinese history is one of the Chinese people, led by the CPC, struggling against imperialist powers, bureaucrat compradors, and feudal forces for human rights. It is also a history of the party and government defending, promoting, and developing human rights. Just as Comrade Jiang Zemin said: "Over the past several decades, the CPC has led the Chinese people in unswervingly fighting to realize their own human rights. Numerous revolutionary martyrs advanced wave upon wave, shed their blood, and sacrificed their lives. Why did they do so? They did so to strive for independence for their country, the right of the people to existence, and right of development. Protecting the fundamental interests of the majority of people is our country's starting point in dealing with human rights issues."

The White Paper on the "Human Rights Situation in China" points out: Although the human rights issue has an international aspect, it is mainly an issue within the framework of the sovereignty of a state. Taking the country's independence and sovereignty, and people's rights to existence and development as the most fundamental content of human rights; striving for it; and persisting in it is a correct conclusion drawn by the Chinese people in light of their own national conditions and historical experiences. Everyone knows that in the semi-colonial and semi-feudal old China, the broad masses of people were deeply oppressed and exploited by the three big mountains. They lived in worse conditions than beasts of burden. They were even subjected to a galling humiliation of the signboard: "Chinese men and dogs are not allowed to enter." It is precisely for this reason that in their struggle for national liberation, the Chinese people, under the leadership of the CPC, have always assigned the human rights issue a very important position. Since the founding of New China, the Chinese Government and people have done a lot of work defending and improving the human rights situation. Constitution and laws enacted by our country truly protect various fundamental rights of our citizens, including their political rights, economic rights, cultural and educational rights, religious belief, rights for nationality customs, rights for personal freedom, rights for

women and children, social life for the handicapped, and so on. The party and government have made great efforts to solve the problem of providing people with enough food and clothing. In particular, since the Third Plenary Session of the 11th CPC Central Committee, China has pursued reform and opening up to further promote the development of social productive forces. With only 7 percent of the world's cultivated land, we have solved the problem of providing enough food and clothing for the Chinese population, which accounts for 22 percent of the world total. The problem of the people's right to existence has been basically solved. The efforts and achievements made by the Chinese Government and people in human rights issue have been fully affirmed by people in the world who truly understand the situation in China and have no prejudice against it. In the meantime, the Chinese Government and people are still unswervingly persisting in promoting the development of human rights and making efforts to strive for realization of the lofty aim of sufficient human rights demanded by socialism in China.

Therefore, we say that the great progress made by China in human rights is obvious to all. The Chinese people are in the right, are self-confident, and look unashamed at the human rights issue. Those who truly neglect and severely trample on human rights are countries which claim to be "guardians of human rights."

The purpose of those Western hostile forces in making a big noise about human rights is not to show true concern for the human rights situation in China, but to pursue their strategy of peaceful evolution to overthrow the socialist system. The Chinese people greatly value their sovereignty and national independence, won with their blood and lives in the long struggle. They also greatly value the rights to existence and development won through unremitting efforts. Today, we must never allow those imperialist countries, which once severely trampled upon the human rights of the Chinese nation, to interfere in our country's internal affairs under the pretext of the human rights issue. Their "human rights offensive" and attempted peaceful evolution will never succeed in China.

### **III. Taking Publication of the White Paper as a Good Opportunity, We Should Energetically Carry Out Study, Propaganda, and Education on Human Rights Issue to Defeat "Human Rights Offensive" and Peaceful Evolution Strategy by International Hostile Forces**

The State Council Information Office recently published a White Paper on the "Human Rights Situation in China," which includes an introduction and ten points. It expounds the Chinese Government's basic stand and policy on human rights issues and reports the unremitting efforts and tremendous achievements made in economic construction and improvement in the human rights situation since the founding of New China. This White Paper is beneficial to those people at home who truly show concern for the human rights issue in China but lack understanding of it; those who only know partly,

but not completely, the human rights situation in China, and those who misunderstand the human rights situation in China due to certain prejudiced influence to objectively and comprehensively observe the human rights situation in China, can draw a correct conclusion from it. Of course, this White Paper is also an adequate refutation and counterattack on those who are hostile to China, spread lies, and attack China on the human rights issue.

There is no denying the fact that in the past, although we made tremendous achievements in human rights, we did not do enough in theoretical study, propaganda, and education on human rights. There is no doubt that publication of the White Paper is externally a weapon for struggle. It is also good material for propaganda at home. We should take the opportunity of the publication of the White Paper to enthusiastically carry out theoretical study, social propaganda, and ideological education on the human rights issue.

We should take Marxist theories as a guide in studying the human rights issue. Marxism is rich in its basic theories on democracy, freedom, and human rights. Our party's theories on building socialism with Chinese characteristics also include important contents of democracy, freedom, and human rights. In the process of building socialism with Chinese characteristics under the guidance of Marxism, we should integrate theories with practice and develop complete Marxist theories on human rights. We, the broad masses of social science workers, should have a sense of urgency and mission. Study of the human rights issue serves the building of the two civilizations, the efforts to safeguard our state sovereignty, and our diplomatic struggle. It involves many aspects, including the science of law, political science, history, economics, philosophy, and others. It is a subject of a very strong political nature. The broad masses of social science workers should enhance their sense of struggle and combat readiness, show close concern for the new changes and situation in the international struggle for human rights, and actively participate in the struggle of social practice and opposing peaceful evolution. We should use our theoretical studies to support this serious political and diplomatic struggle. Our party organization departments at all levels should do well in organizing, coordinating, and serving the struggle to deepen study of the human rights issue. Only thus can we fulfill the important task entrusted to us by history of further enriching, perfecting, and developing Marxist theories on human rights.

Mass media and propaganda instruments, including newspapers and journals, radio broadcasting, and television stations should pay attention to doing profound propaganda work for the White Paper. Cadres in charge of foreign affairs in various sectors, people connected with foreign relations, teachers in colleges and secondary schools, and responsible cadres at all levels should be familiar with the document and actively coordinate their efforts with the work of propagating the human rights issue at home and abroad to increase the ideological



consciousness of the vast number of cadres and masses, young students in particular. We should strengthen our conviction in socialism to foil the "human rights offensive" by the Western hostile forces and create a good environment for building socialism with Chinese characteristics. We should use basic Marxist viewpoints to explain correctly and simply the issues of democracy, freedom, and human rights. We should use modern Chinese history, which brought humiliation to China; and contemporary Chinese history, which reflected the resistance and struggle of the Chinese people, to educate young students in patriotism and socialism. In particular, we should clearly tell young students how Western hostile forces pursue their peaceful evolution strategy against us by making use of the human rights issue. We should use the obvious facts of how New China safeguards and protects human rights to educate young students, so that they understand the superiority of the socialist system and consciously resist the corrosion of erroneous ideological trends. Propaganda and education departments at all levels should view propaganda and education work for human rights from the high plane of opposing peaceful evolution and persistently grasp it as a long-term strategic task.

#### Henan Stresses 'Four Kinds' of Market Thinking

OW2512044491 Beijing XINHUA Domestic Service  
in Chinese 0354 GMT 24 Dec 91

[Text] Zhengzhou, 24 Dec (XINHUA)—Recently, Henan Province held a work meeting on the market; calling for further emancipating the mind, changing one's concept, and invigorating the market and circulation. Vice Governor Qin Kcai said it is necessary to really shift one's ideological understanding and concrete work to promoting development of the planned commodity economy by "doing away with four kinds of thinking and fostering four other kinds of thinking."

The "four kinds of thinking to be done away with and four other kinds of thinking to be fostered" are as follows:

- Do away with attaching undue importance to production to the neglect of circulation, and foster the concept of letting the market guide production. One of the lessons learned by Henan in recent years is to attach more importance to the role played by the market and circulation. Laying undue emphasis on attaining certain targeted output value and speed resulted in the overstocking of products, idling of funds, decrease in economic returns, and so forth.
- Do away with ossified and conservative thinking, and foster the concept of opening up and invigorating the market. To succeed in this endeavor, we must first find a permanent cure for "market phobia"; break down the barriers between production and circulation, within the field of circulation, and between different administrative divisions; and lift various restrictions imposed on the market to let enterprises and manufacturers compete with each other in the market for their own development and survival.

—Do away with the thinking of closing the country to international exchanges, and foster the concept of promoting both the international and domestic market. At present, vigorous efforts must be made to open up three markets. First, it is necessary for us to have our feet firmly planted in the urban areas while keeping rural areas in view. We must actively organize distribution of industrial products to the rural areas and further open the market in rural areas. Second, it is necessary for us to have our feet firmly planted in our own province while keeping the whole country in view in a bid to open up more domestic markets. Third, it is necessary for us to have our feet firmly planted in domestic markets while taking aim at overseas markets. We must develop new products and promote their sales to the international market in different parts of the world.

—Do away with the thinking of having only one market and foster the concept of having a big, global market, and promoting circulation of products in every part of the country as well as the world. In other words, it is necessary for us to develop vigorously not only the primary country fair market and wholesale market, but also the superior market for standardized trade. Furthermore, efforts must be made to develop and perfect the market for means of consumption, the market for means of production, and the market for the elements of production.

In order to promote development of the market in accordance with the rational flow of commodities, Henan Province also proposed to resolutely abolish relevant regulations drawn up by some localities on protecting and blockading local markets, and restricting imports of products made in other localities to local markets. Beyond the existing 60 checkpoints, no more checkpoints will be set up in the province. Any checkpoint that has been set up without approval will be regarded as unauthorized checkpoint; once it is discovered, it will be strictly investigated and handled. Checkpoints which are authorized to remain will be mainly responsible for monitoring and checking traffic. They are not permitted to inspect vehicles carrying cargo and examine relevant formalities for business operations, except in the case of performing special anti-smuggling tasks. Generally speaking, no economic checkpoint will be set up, except during the season for purchase of farm and sideline products when inspection of grain, cotton, and edible oil will be conducted in border areas with the approval of the higher authorities.

#### Editorial Discusses 'Overcoming Difficulties'

HK2012133891 Zhengzhou HENAN RIBAO  
in Chinese 28 Nov 91 p 1

[Editorial: "Overcoming Difficulties, Exploring the Way Forward"]

[Text] At present, we are in the middle of a crucial period of historical development. During the great process of comprehensively attaining the second-step strategic goal

of Henan's national economic and social development, we are shouldering heavy and arduous tasks. The vast numbers of party members, cadres, and masses throughout Henan should further inspire their spirit, unite as one, overcome difficulties, explore the way forward, and constantly open up a new situation in all fields of our endeavor.

Since the fifth provincial CPC congress, while holding high the banner of "advancing in unity and rejuvenating Henan" and standing in no fear of difficulties in struggles, the people of Henan have achieved gratifying results in the building of material and spiritual civilizations, and brought about flourishing development in all fields of endeavor, with the aim of realizing the strategic goal of "one high, one low." While fully reaffirming our achievements, we should also note soberly that we are still faced with the following difficulties and problems at the present stage: The foundation of agriculture is fragile. Being plagued by backward technologies and equipment, inferior products with low competitive capability, improper management, and poor economic returns, state-owned large and medium enterprises have become a factor gravely hindering economic development. The mentality of small-scale peasant economy and closed-mindedness have hindered us from further emancipating our mind and taking bigger strides forward. That disruptions existing in our mind and work have added to the difficulties cannot be neglected. On our way forward, we are sure to meet with new difficulties and problems.

In the face of difficulties, we are confronted with the question of how to adopt a correct attitude and ideological method toward difficulties. Some of our comrades often moan and groan, and are at their wits' end when they encounter difficulties; some hesitate to move forward; and others simply go through the motions, or even give way to difficulties. Under such circumstances, difficulties cannot by any means be solved; on the contrary, they will become even greater. Therefore, such an attitude toward difficulties should be discarded completely. How, then, shall we find the correct way to cope with and overcome difficulties? First of all, the most important thing for us to do is to consistently uphold the party's basic line; and under the prerequisite of maintaining political stability, continue to carry out economic restructuring, reform, and opening up. Practice has proved that without reform and opening up, it is impossible to expedite the development of productive forces or bring about comprehensive progress in society. Reform and opening up are also the fundamental motive and a major way for us to overcome difficulties. Meanwhile, we should also be aware of the universality of difficulties. The so-called difficulties in work are virtually contradictions in work, which run through our work. There is no work in the entire world which does not contain struggles and difficulties. The process of work is virtually a process of solving and overcoming difficulties. Just think, have we ever made progress in our work without overcoming difficulties? Therefore, we should be aware of and face up to difficulties, and prepare ourselves to

launch long-term struggles against difficulties. Second, we should understand the dual nature of difficulties. To revolutionaries, difficulties are a bad and also a good thing. On the one hand, they will keep us from making further progress and will give rise to more unfavorable factors in our work; yet on the other hand, they can also inspire our morale, temper our will, and enhance our skills and capability. It should be noticed that difficulty and achievement, hardship and glory are always closely related, one accompanying the other. Difficulty contains victory and hardship gives birth to glory. Difficulties are not unconquerable. Here, the most important thing is to cultivate a spirit of pressing forward in the face of difficulties, standing firm and indomitable, working with perseverance, and launching struggles against difficulties. So long as we do not slacken efforts, we can always find more methods than difficulties. Third, it is necessary to master the special features and rules of difficulties. All things are concrete, and we should adopt different methods to solve contradictions of different natures. Therefore, in coping with difficulties, we should adopt a scientific attitude, discover their special features, and master their rules of development and transformation. Only by so doing can we conquer and transform difficulty into smoothness. Fourth, to overcome difficulties, we should persistently follow the mass line of "from the masses, to the masses." Most of the thorny problems we currently encounter are ones cropping up during the process of reform, which are a comprehensive reflection of various deep-level contradictions emerging during a time when the new system is being substituted for the old one. So long as we go down to the masses, ask for advice, draw on collective wisdom and absorb all useful ideas, and make democratic policy decisions, we can find various methods to settle and overcome problems. We should make vigorous efforts to accomplish things for the masses in a down-to-earth manner, and try to solve some difficult problems which concern the masses most. In this way, we can surely win the support of the masses. Comrade Mao Zedong said we should work unceasingly to move the "god"; that is, to move the broad masses of the people. With the people of Henan all making concerted efforts in struggles, what difficulties can we not overcome?

Comrade Deng Xiaoping said: "It is not easy to carry out reform or realize the four modernizations. We have never been intoxicated with self-satisfaction, or accepted that everything will run smoothly. There must be many disruptions from all sides, that is, from both the 'left and the right sides.'" Over the past year, the overwhelming majority of party members have quietly and conscientiously immersed themselves in hard work, and are honest in performing their official duties, thus giving rise to the general climate of "advancing in unity" across Henan. Although the general situation is good, we still meet with some disruptions on our way ahead, to get rid of which we should take the following resolute measures: 1) Politically, we should resolutely resist the disruptions of hostile forces both at home and abroad. At present, international reactionary forces are stepping up their

efforts to carry out peaceful evolution in China, and some elements at home who stubbornly cling to bourgeois liberalization and are hostile to socialism are also plotting to sabotage the political stability and unity. We should be good at observing and handling problems with a political viewpoint, remain sober-minded, and take resolute measures to expose and crack down on such forces. 2) We should resolutely remove various disruptions of harmful tendencies in our work, such as unhealthy trends in trade, providing and accepting entertainment with public funds, and making a show of authority in work, as well as the abuse of power for personal gain by cadres. These cadres have produced a very bad influence because they defame the reputation of the party and government, and break away from the masses. 3) Ideologically, we should remove the disruption of individualism. Currently, a small number of people in our contingent of cadres are imbued with individualist thinking; are lax when carrying out official duties but spare no efforts when dealing with private matters; direct freezing irony and burning satire toward, and make irresponsible remarks against comrades who immerse themselves in their work; and even stir up trouble by rumormongering and slander, or set up illegal organizations. Although only a small number of comrades have been affected by the last two unhealthy tendencies, such tendencies are gravely endangering the great cause of "advancing in unity and rejuvenating Henan"; therefore, they should not be overlooked. We should seriously criticize and educate these people, and severely punish those who refuse to mend their ways despite repeated admonitions. We should do our utmost to enhance the combat effectiveness of party organizations, and strengthen education in party spirit among party members and cadres. Efforts should be made to foster healthy tendencies and wipe out unhealthy ones, so as to create a sound environment for comrades who are loyal to the party's cause and active in their work to make concerted efforts, to have no fear of disturbance in the rear, and to go full steam ahead in their work!

Prosperity in this land of 167,000 square km in central China, and the happiness of the 86 million people of Henan, cannot be obtained simply by waiting. Our generation are pioneers, who should "undertake arduous tasks and carry out numerous struggles." Let us stand at the forefront of our time, shoulder heavy historical tasks with full confidence, inspire our vigor, have the courage to overcome difficulties, explore the way ahead, and constantly win new victories!

#### **Henan Flood Victims 'Well Provided' for Winter**

OW 2512092191 Beijing XINHUA in English  
0801 GMT 25 Dec 91

[Text] Beijing, December 25 (XINHUA)—All the flood victims in central China's Henan Province have been well provided with housing, clothing and food for the current winter months, the FARMER'S DAILY reported today.

In Henan Province there were 23.5 million people affected by a severe flood last summer and autumn, which destroyed 765,000 houses and 2.5 billion kg of grain.

By now the province has built 111,000 houses, repaired 416,000 houses and put up many makeshift sheds; flood victims have been provided with enough food for the whole winter; and the 8.6 million pieces of clothing donated by people from other parts of the country have all been distributed to the victims.

#### **Guan Guangfu Stresses Expanding Telecommunications**

HK1912071591 Wuhan Hubei People's Radio Network  
in Mandarin 1000 GMT 18 Dec 91

[Excerpt] The provincial conference on post and telecommunications, held today, decided that in the first three years of the Eighth Five-Year Plan, internal and external telephone services should be automated in cities at the county level and above across the province. To this end, 300,000 more exchanges for urban and rural areas will be supplied and program-controlled telephone sets will account for over 60 percent of the total telephone sets. Color television for conferences, mobile telephone, [words indistinct], and other similar services will be available in succession next year.

Guan Guangfu, provincial party committee secretary, sent a written speech to the conference. He hopes party committees and governments at all levels as well as departments in charge of postal and telecommunications service will lose no time in expanding postal and telecommunications services in the first three years of the Eighth Five-Year Plan, to lay a sound foundation in this respect.

Guan Guangfu called on party committees and governments at all levels to attach, as always, great importance to promoting postal and telecommunications service. They should formulate suitable policies to facilitate development of telecommunication service. All departments concerned should work in full cooperation and with unity of purpose to develop Hubei's postal and telecommunications service. [passage omitted]

#### **Criminals Gang Sentenced to Death in Wuhan**

HK2012093891 Wuhan Hubei People's Radio Network  
in Mandarin 1000 GMT 19 Dec 91

[Text] The Wuhan Intermediate People's Court yesterday brought to open trial an armed criminal gang that committed murder and robbery in Wuhan, and sustained the lower court's judgment right away.

Principal culprit (Zhang Minggao), and fellow offenders (Song Jianlian), (Xiong Fengbi), and (Peng Yi) were sentenced to death according to law and deprived of political rights for life.



In order to avenge himself on society, (Zhang Minggao) secretly manufactured and stole firearms and ammunition in violation of the law. Since December 1983, he has indulged in unbridled murder and robbery. Since spring last year, he organized (Song Jianlian), (Xiong Fengbi), and (Peng Yi) into a criminal gang. From October last year to October this year, they organized and planned a series of armed robberies and murders.

Principal offender (Zhang Minggao) was involved in 28 criminal cases. He directly or indirectly killed 21 people, injured four others, robbed local residents of belongings worth 170,000 yuan, and stole property worth 20,000 yuan, greatly endangering public and personal security.

#### **'Roundup' Discusses 'Second Revolution' in Wuhan**

HK1312144391 Beijing ZHONGGUO XINWEN SHE  
in Chinese 0854 GMT 6 Dec 91

["Roundup" by staff reporter Zhang Dunhua (4545 2415 5478): "'Second Revolution' of Large and Medium Enterprises in Wuhan"]

[Text] Wuhan, 6 Dec (ZHONGGUO XINWEN SHE)—Under the present new situation, Wuhan has started its second arduous attempt to activate state-owned large and medium enterprises, which is called "the second revolution" of the city's economic reform.

#### **There are Enterprises With Good, Middling, and Poor Economic Returns**

Wuhan has a total of 214 state-owned large and medium enterprises. A survey conducted by the city's Economics Commission shows that of the total, about 24 percent are well-operated enterprises which possess a certain vitality; 50 percent are enterprises which can manage to maintain their present state of production, gain meager profits yet lack vitality, and exist in strained circumstances; and about 26 percent are loss makers which are plagued by debts and unable to turn out well marketable products. Zhang Daizhong [1728 0108 6850], an assistant to the Wuhan mayor, gave a vivid picture when interviewed by our staff reporter the other day: Most of the "non-alive" state-owned large and medium enterprises are like vehicles which are moving very slowly along a jammed road. Analysis shows that the major causes of such a situation include excessive external interference, especially undue direct interference from high authorities; and the enterprises' own outdated internal management mechanism, slow operation, and inadaptability to the rules of socialist commodity economy as well as to the requirements of international practices.

Since last September, the Wuhan CPC Committee, city government, and departments concerned have held four discussions and dialogues with people from enterprise circles to seek good solutions to problems concerning state-owned large and medium enterprises. On this basis, a document entitled "Suggestions on State-Owned

Enterprises' Open Operation and Structural Transformation" was worked out and passed down to all levels of the city by the city party committee and government.

#### **State-Owned Enterprise Council Is Planned**

Wuhan first plans to set up in some enterprises a state-owned enterprise council which consists of people from both the government and enterprises, with an aim to transform the government's functions in enterprises, restructure the guidance system, reduce administrative interference, separate the government from enterprises, and create for enterprises a relatively sound external environment in which enterprises can be given a free hand to handle their own affairs.

The council will be appointed by the city government, members of which will include representatives from departments in charge of enterprises, finance, and state-owned assets, a legal representative of the enterprise concerned, the party committee secretary, and the trade union president. The representative from the department in charge of enterprises will have the post of director of the council.

It has been learned that the state-owned enterprise council uses for reference, but differs from, the board of directors for joint-stock enterprises. The members of the enterprise council are neither direct asset owners nor people directly involved in the policy decisions and operation of enterprises. The council's major tasks are to decide the appointment, removal, salary, award, and punishment of the director or manager of the enterprise concerned, impose control over contracts, and audit and supervise the operation of the enterprise. Instructions and inspections of various governmental departments should channel through the council; otherwise, enterprises have the right to reject them.

At present, though the constitution and detailed speculations of this kind of state-owned enterprise council are still under careful study, they have already aroused the general interest of society. People from theoretical circles believe that this new attempt will give rise to many new subjects on both the theory and practice of such a new move.

#### **Transformation of Enterprises' Internal Mechanism**

An official from the city government in charge of work to enliven state-owned large and medium enterprises told us that the key issue in activating state-owned large and medium enterprises lies in the transformation of enterprises' internal mechanism. The main contents of such a transformation are as follows:

—The internal mechanism of motive forces. It is necessary to transplant the management methods of the three kinds of partially or wholly foreign-owned enterprises to state-owned large and medium enterprises, and to carry out reform of salary, labor, and personnel systems in a fundamental way. Enterprises will be allowed to determine independently their own salary

levels and forms, labor plans and forms, and institutional installation. An all-personnel labor contract system is to be carried out in enterprises, which have the autonomy to recruit or dismiss employees and cadres openly. Cadres who are dismissed should wait for employment in the labor market and receive job-awaiting insurance from insurance institutions during the job-awaiting period.

- Economic operational mechanism. Enterprises should rely on the market to design, develop, produce, and supply and market their products, so as to rapidly adapt themselves to market demands.
- Mechanism of self-restriction. This means to reinforce enterprises' material basis, production quotas, costs, quality, and control of labor discipline. Accordingly, a large number of complicated rules and regulations, which exist in name only, have to be simplified; while concise, feasible, and effective rules and systems should be established.
- Mechanism of self-development. Enterprises will adopt an overall input-output contract system by which enterprises can contract for a fixed output quota and retain all excess of that quota. Once a contract is fixed, it should remain unchanged for five to 10 years. Enterprises can freely decide to expand their production in light with their own scales, capabilities, and local market conditions.

#### Exploration Under a Difficult Situation

Ever since the promulgation of "Suggestions on State-Owned Enterprises' Open Operation and Structural Transformation" on 18 November, not a single state-owned enterprise has thus far openly volunteered to carry out the pilot scheme. It thus can be seen that it is very difficult to take new strides in our efforts to activate state-owned large and medium enterprises. However, nothing can shake the strong will of the Wuhan government. This time, the city government will not adopt the usual work method of forcing enterprises to become pilot units; nor will it approve enterprises to become pilot units unless such enterprises really have an urgent internal demand for reform. However, the city government has called on all state-owned large and medium enterprises throughout Wuhan to intensify and carry out reform on the whole or part of their internal system.

It has been disclosed that the cadres, workers, and staff members of the overwhelming majority of enterprises in Wuhan are making repeated consideration and studies on the plan of what they call "the second revolution." Directors and managers of a dozen enterprises have expressed their intention in private to become pilot units in the campaign of transforming mechanism and carrying out open operation.

Wuhan's "second revolution" to activate state-owned large and medium enterprises can be said to start in a difficult situation. The results have yet to be proved by

time, of course. It is without doubt, however, that if we want to activate state-owned large and medium enterprises, the only way we can take is to make explorations. Therefore, Wuhan's exploration merits commendation.

#### North Region

##### Beijing 'Warmed Up' by Christmas Activities

OW2412084391 Beijing XINHUA in English  
0823 GMT 24 Dec 91

[Text] Beijing, December 24 (XINHUA)—Beijing is being warmed up by the coming Christmas as a neon-lighted Santa Claus on a hotel building smiles to pedestrians and twinkled Christmas trees toss in the northern wind along the city's busy streets.

Though Christmas was a novelty to most Chinese just a few years ago, the old man with white beard and a red coat has been gradually recognized by many Chinese. Big cities, especially big hotels and stores catering to foreigners, prepared various programs for Christmas.

At the Beijing Friendship Store, an exhibition of 10,000 items of goods from 100 enterprises has attracted many customers. Paper-folded Santas, Santas made of wax and Santas in Chinese silk coats are welcomed by both children and adults.

The international mail these days has increased by two to three times, according to a postman at the Xidan Post Office.

After sending a handful of Christmas cards to the post stand, Jing Shaogang, a young actor who had just come back from a business trip, sighed that his friends in the United States would probably not receive his cards by Christmas.

On the city's business street, Wangfujing Street, a couple of teenagers from Australia's Darwin School were excited by white snow falling on the road and the roofs of the building.

"It will be great to have a white Christmas in China," said Trish Doney. The 14-year-old girl is used to wearing skirts for Christmas in Australia, where December is the middle of the summer.

Big hotels catering to foreigners are celebrating the grand occasion with colorful decorations, delicious food, and special programs.

The Tian'an Dynasty Hotel has set up a Christmas cabin and the Great Wall Sheraton Hotel will present a dinner concert featuring Tim Hilliard and his "Elvis Revue", directly from Las Vegas, Nevada, the United States.

The Shangri-La Hotel will have a singer strolling around the hotel on Christmas eve and singing Christmas songs for customers. In the Kunlun Hotel, a nightclub with jazz

music, wooden beer barrels and scratches of the unemployed in the 1930's [as received] will give the foreigner nostalgia and warmth in the festival.

However, not only foreigners will enjoy the Christmas sentiments. According to the general manager of the hotel, Chinese employees in foreign-funded enterprises, some self-employed businessmen and stars in the art circle will also be the consumers of the Christmas programs.

### **Residents Committees Become More Service Oriented**

OW2412090091 Beijing XINHUA in English  
0745 GMT 24 Dec 91

[Text] Beijing, December 24 (XINHUA)—Residents committees in Beijing have become increasingly service oriented over the past decade, according to information released at the on-going meeting of the Beijing People's Congress.

Some 3,000 of the city's 4,262 neighborhood committees have established various types of service centers in the past ten years compared to almost none before 1983.

These service centers include kindergartens, old folks homes, and extracurricular tutoring services, as well as the delivery of milk and newspaper.

The function of residents committees has been further delineated by a law passed during the current meeting which says that the committees have six major tasks. These tasks include the mediation of disputes, publicizing party and government laws and policies, and providing public services and welfare in the districts.

The law states, in particular, that committees are allowed to establish welfare services and service oriented facilities for residents.

Recent statistics show that more than 16,800 local residents work for the committees. At present, the more than 500 residents committees have annual income of over 10,000 yuan which helps them to provide better services.

According to the city Civil Affairs Department, the number of residents committees has increased by 150 percent since 1984 when Beijing had only 2,800 such committees, each of which served 100-600 households.

As a mass grassroots self-management organization residents committees provide public affairs and social services to specific areas. For example, they mediate civil disputes, maintain public order, and convey the opinions, demands and suggestions of residents to the local governments.

### **Industrial Production Sees 'Moderate Development'**

HK2512024791 Beijing CHINA DAILY in English  
25 Dec 91 p 2

[By staff reporter Hong Xia: "Beijing Improving Industry Efficiency"]

[Text] Beijing has witnessed moderate development and recovered economic efficiency in industrial production this year, according to Gao Zuozhi, director of Beijing municipal Economic Commission.

Since 1989, poor efficiency in businesses has been improving. In the first 11 months of this year, an increase of 13.6 percent in pre-tax profits was obtained by local enterprises under the city's financial budget.

Between January and November, the total industrial output value in the capital registered more than 70 billion yuan (\$13 billion), up 11.6 percent over the same period of last year.

Loss-incurring firms are gradually making a turn for the better.

The monthly deficit was decreased from 40 million yuan (\$7.4 million) to 6 million yuan (\$1.1 million) in October. And in November, more than 25 million yuan (\$4.6 million) of deficit was made up.

According to a working conference of the municipal government, production of 308 product varieties should be suspended and reduced. So far, production of all the 83 listed items has been stopped and controls on the other 225 imposed, decreasing stockpiles by a value of more than 100 million yuan (\$18.5 million).

In the first 10 months of this year, 2,500 kinds of new products were developed, creating more than 6 billion yuan (\$1.1 billion) in output value and 659 million yuan (\$122 million) in pre-tax profits.

Gao predicted that the capital will achieve an industrial output value of over 76 billion yuan (\$14 billion) this year, a rise of 10 percent over last year. And 5 billion yuan (\$925 million) in pre-tax profits will be created at the same time, up 7 percent.

However, 160 local enterprises were still suffering economic losses by the end of last month. It is by no means easy for Beijing to reduce 60 such deficit-ridden businesses and make up 48 million yuan (\$8.9 million) of losses within a month to meet the year's target, Gao said.

The commission will focus on the improvement of economic efficiency and give top priority to transforming the operating mechanism and adjusting product mix to upgrade the capital's industry.

### **Beijing Moves To Cut Financial Subsidies**

HK2312092791 Beijing ZHONGGUO XINWEN SHE  
in English 0834 GMT 23 Dec 91

[Text] Beijing, December 23 (HKCNA)—The Director of Beijing's Bureau of Finance, Mr. Sun Tonggong, has revealed that Beijing cut an accumulated amount of RMB [renminbi] 389 million of financial subsidies from January to November this year.

Over the past two years, the reduction of financial subsidies was taken as a "central task" by the municipal



government and a special leading group was established to handle it. Last year, Beijing recorded a drop in financial subsidies for the first time in the past twelve years. Based on last year, they have been further cut this year. At present, most financial subsidies go to daily necessities such as grain, edible oils, vegetables and eggs, with the greater part aimed at lowering prices. Part of the subsidies is given to staff and workers along with their salary. According to Mr. Sun, Beijing has given subsidies amounting to RMB 3.885 billion between January and November this year.

The reduction of financial subsidies has been achieved by strengthening administration, lowering the cost of production and reducing loss and wastage. Apart from small items such as sesame paste and vermicelli for which the reduction of subsidies was achieved by raising prices, there has been no report of rises in the price of many other commodities.

#### Hebei To Establish Rural Vocational Schools

OW2412123191 Beijing XINHUA in English  
0920 GMT 24 Dec 91

[Text] Shijiazhuang, December 24 (XINHUA)—North China's Hebei Province has planned to set up 60 county-level rural vocational schools this and next year.

Costing 230 million yuan, these schools are expected to be completed by the end of next September.

Hebei is one of the provinces that has developed rural education. The province now has 362 vocational schools involving various courses. These schools have 120,000 students and have trained 40,000 graduates to serve rural economic development and social advancement.

The 60 schools were designed to enroll over 1,000 students each, with an auxiliary 6.6 ha [hectares] experimental base for students. These schools will open special courses involving agriculture, industries and the service industry in rural areas.

#### Shanxi Law Protects Agricultural Environment

OW2412022991 Beijing XINHUA in English  
0105 GMT 24 Dec 91

[Text] Taiyuan, December 24 (XINHUA)—The Shanxi Provincial People's Congress recently examined and approved the "Shanxi Agricultural Environmental Protection Regulations"—China's first local law for the protection of the agricultural environment.

Statistics show that the province's agriculture is afflicted by serious environmental pollution.

Nearly 80,000 ha [hectares] of farmland in the province has been polluted by waste water, causing losses of 250 million kg of grain and 225 million kg of vegetables every year. This costs the province as much as 390 million yuan a year.

The five-chapter regulation has 29 articles, clearly stipulating the purpose, objectives and sphere of application of the regulations, especially the responsibilities of local governments and all related departments for the protection of the agricultural environment.

#### Tianjin Fulfills 1991 Export Volume Quota Early

OW2612060891 Beijing XINHUA in English  
0150 GMT 26 Dec 91

[Text] Tianjin, December 26 (XINHUA)—Northern China's biggest industrial city Tianjin fulfilled its 1991 quota of export volume of 1.5 billion U.S. dollars by mid-December, according to sources from the city's Foreign Trade Bureau.

At the same time, the export costs dropped by 140 million yuan comparing with the figure in the same period of the previous year, the sources said.

The situation was a result of the national-wide reform initiated by the central government early this year which called for all the foreign trade enterprises to be responsible for their own profits and losses, the sources said.

When the new policy was carried out throughout the country, foreign trade firms in Tianjin had to make efforts to cut their business costs and limit their stockpiles.

Most of the firms strengthened their business accountings before they actually made the deal. At the same time, they pay more attention to the cooperation with manufacturing enterprises to find out new export resources.

Statistics showed that over 150 products have been added to the city's old export list since the beginning of this year, earning some 20 million U.S. dollars.

Some of these firms are engaged in exploring new export market, which have brought them more dollars for the past months.

#### Northeast Region

#### Sun Weiben Chairs Opening of Provincial Plenum

SK2112041691 Harbin Heilongjiang People's Radio  
Network in Mandarin 2200 GMT 20 Dec 91

[Text] The Eighth Enlarged Plenary Session of the Sixth Heilongjiang CPC Committee opened at Harbin's Heping Theater on the morning of 20 December.

The main purposes of the session are to relay and implement the guidelines of the eighth plenary session of the 13th Central Committee, to analyze and study the provincial agricultural and rural work situation and the provincial agricultural and rural tasks, to sum up the 1991 work, and to define the 1992 work.

Standing Committee Members Sun Weiben, Shao Qihui, Zhou Wenhua, Ma Guoliang, Wang Haiyan, Xie Yong, Meng Qingxiang, Shan Rongfan, and Tian Fengshan attended the session.

The session was chaired by Sun Weiben, secretary of the provincial party committee. At the session, Shao Qihui relayed the decision of the CPC Central Committee on further strengthening agricultural and rural work, adopted at the third plenary session of the 13th Central Committee; and Sun Weiben relayed the resolution on convening the 14th National Party Congress and the guidelines of the speech Comrade Jiang Zemin made at the closing ceremony of the eighth plenary session of the 13th Central Committee.

Present at the session as nonvoting delegates were 331 people, including members of the provincial advisory group, members of the provincial Discipline Inspection Commission, vice chairmen of the leading party group of the provincial People's Congress Standing Committee, party-member vice chairmen of the provincial committee of the Chinese People's Political Consultative Conference, vice governors of the provincial government, secretaries of various city and prefectural party committees, mayors and commissioners of various cities and prefectures, secretaries of various county and city party committees, county heads, secretaries and directors of the units under the provincial State Farm Administration, responsible comrades of various departments and commissions under the provincial party committee, and responsible comrades of the departments and bureaus concerned under the provincial government.

### Delivers Report

*SK2212051391 Harbin Heilongjiang People's Radio Network in Mandarin 2200 GMT 21 Dec 91*

[Text] Sun Weiben, secretary of the provincial party committee, made a report at the Eighth Plenary Session of the Sixth Heilongjiang CPC Committee on 20 December.

Comrade Sun Weiben's report summed up the rural areas' basic experience in reforms and construction gained in the 1980's, put forward the basic ideological trend of the rural economic development and the major tasks that must be attained in the foreseeable future, stressed the need to strengthen and improve leadership over rural work, and urged firmly grasping the implementation of various tasks.

Comrade Sun Weiben said in his report: Our province has made achievements that merit the attention of the people in conducting reform and construction in the rural areas over the past years. We made strides particularly in the past seven years since 1984, from producing 15 billion kg of grain to producing 20 billion kg. The per capita income of the rural areas increased by a big margin. The province moved up more noticeably in the country as a whole in this regard.

He said: We have made ceaseless efforts to explore and solve the new situation and the new problems cropping up in the course of rural reform and construction, and have accumulated many precious experiences. The experience touching us most deeply is that we must resolutely implement the basic policies of the party and be determined to promote the development and improvement of the main structure of agricultural production and management. On the basis of stably upgrading grain production capacity, we should pay attention to reasonably readjusting the rural production structure, vigorously promoting scientific and technological progress, and positively improving agricultural production conditions. We should handle affairs in line with the objective economic regulations and positively explore ways to coordinate the planned economy with market regulation. We should persistently give consideration to both social development and economic development and pay equal attention to material and spiritual civilizations. We should strengthen the construction of grass-roots party organizations to bring the party's political advantages in the rural areas into play. We should respect the successful practice of the grass roots and the masses, and grasp typical cases and experimental work and the method of giving different instructions according to different actual conditions so as to promote reform and construction in all rural areas.

Comrade Sun Weiben pointed out: The general ideological trend of economic development in the rural areas of the province in the 1990's is: On the premise of continuously persisting in and implementing the party's basic policies toward rural areas and unswervingly deepening rural reform, and according to the guiding principle of making structural readjustment, increasing economic results, relying on science and education, and rejuvenating agriculture, we should improve coordination of grain with animal husbandry and enterprise, trade with industry and agriculture, agriculture with science and education, and urban areas with rural areas; develop the county-level economy; and accelerate the realization of the strategic objective of becoming fairly well off.

Comrade Sun Weiben said: In line with the principle of making an overall plan and stressing main points, and on the basis of stabilizing the system of contracted responsibility on the household basis with payment linked to output, we should strive to perfect the system of linking centralized management with decentralized management. The work priorities are to stabilize the relationship of land contracts, define the rights and obligations of both sides, strengthen the management of contracts, and improve various systems. We should indomitably grasp the development and expansion of the collective sector of the economy. This winter and next spring, all localities should generally set up village-level economic cooperation organizations and designate, in a unified way, these organizations as economic cooperatives. By establishing rural cooperation funds, setting up the system of [words indistinct], running green enterprises, and strengthening management, we should gradually expand the strength of

the collective economy. We should set up and improve the agricultural socialized service system, with the township and village-level collective economy as its foundation and state technological departments as its backing, and supplemented by the self-service of the peasants. Next year, every town and township should set up at least one or two agricultural service entities. The 1992 grain production is planned to reach 21 billion kg. We should appropriately and quickly readjust the cropping structure; continuously expand the paddy rice and soybean growing areas; and give priority to arranging the planting of beets, flax, and tobacco. We should continuously put animal husbandry in a prominent position in readjusting the agricultural structure; develop, as soon as possible, animal husbandry into a pillar industry of the rural economy; and strive to build our province into the largest dairy cattle production base, with the highest commodity rate in China. We should accelerate the development of town and township enterprises. Next year, the total income of town and township enterprises should increase by 15 percent, and their profits and taxes should increase at the same pace. We should positively promote the economic development of various industries; realistically rely on science and education to rejuvenate agriculture; and make an overall plan for developing agriculture, science, and education. Next year, we should carry out the operational mechanism of coordinating agriculture with science and education; positively popularize the experiences gained by various cities and counties, including Nenhe, Longjiang, and Huanan; and carry out the mechanism first among 10 experimental counties and 100 experimental towns and townships. The town and township that do not carry out the experimental work should respectively also select two villages to conduct the work on a trial basis.

Comrade Sun Weiben stressed: We should strengthen and improve leadership over rural work, firmly grasp the implementation of the work in various spheres, continuously strengthen agriculture's role as the foundation of the national economy, and create a new situation where the party as a whole pays attention to agriculture and the society as a whole supports agriculture.

### Provincial Plenum Concludes

SK2412091191 Harbin Heilongjiang People's Radio  
Network in Mandarin 2200 GMT 23 Dec 91

[Text] The Eighth Enlarged Plenary Session of the Sixth Heilongjiang CPC Committee urged that in the future, we should regard the effort to lead the vast number of peasants in achieving a fairly comfortable life as the banner of rural work in the new period and organize peasants and people from various quarters of society to the greatest extent to develop the commodity economy in rural areas and to accelerate the modernization of agriculture, so that the capacity for comprehensive agricultural production and efficiency can be raised to a new level, new progress can be achieved in rural reform, and new change brought about in rural outlook.

The four-day session concluded in Harbin on 23 December. Sun Weiben, secretary of the provincial party committee, presided over the 23 December session. Attending were Standing Committee members Shao Qihui, Zhou Wenhua, Ma Guoliang, Wang Haiyan, Chen Yunlin, Xie Yong, Meng Qingxiang, Shan Rongfan, and Tian Fengshan.

At the eighth enlarged plenary session of the sixth provincial party committee, the guidelines of the eighth plenary session of the 13th Central Committee were relayed and the CPC Central Committee's decision on further strengthening agriculture and rural work was conscientiously studied and discussed. The participating comrades unanimously supported the decision of the plenary session of the Central Committee and pledged to conscientiously implement it in line with Heilongjiang's practice in rural work.

The participants heard, discussed, and approved the work report delivered by Comrade Sun Weiben on behalf of the provincial party committee. They unanimously held: The report fully embodies the basic tasks, ideas for development, and work measures as put forward in the guidelines of the eighth plenary session of the Central Committee and is a realistic and feasible report.

They analyzed the current rural situation of the province and future tasks. They held: After more than a decade of reform and construction, Heilongjiang has by and large put an end to its self-supporting and semi-self-supporting rural economy and has begun to enter a new stage focusing on the production of commodities. The general goals of agriculture and rural work, to be attained by the end of this century, are to raise peasants' living standard from merely having sufficient food and clothing to a fairly comfortable life on the premise that the rural economy is developed in all sectors, and to gradually achieve a fairly affluent material life, a fairly substantial spiritual life, improved housing conditions, improved health, developed technological undertakings, and good public security.

It was emphasized at the session: To succeed in the historical leap from merely having sufficient food and clothing to a fairly comfortable life in the rural areas of the province, we should take the road of coordinating the development of grain production and animal husbandry with that of township enterprises; coordinating industrial and agricultural production with foreign trade; coordinating scientific, technological, and educational work with agriculture; and coordinating urban development with rural development on the premise that the party's basic policies for rural areas are adhered to and implemented continuously and that rural reform is persistently deepened and by following the guiding thought of adjusting the structure, improving efficiency, and relying on science, technology, and education to develop agriculture; we should make active efforts to promote the county economy; and we should attain the strategic objective of a fairly comfortable life more quickly.



The priorities of Heilongjiang's rural work in the near future were put forward at the session. The basic guiding thought for 1992 is to adhere comprehensively to the party's basic line, fully develop our advantages, rely on the masses wholeheartedly to accelerate greatly reform and opening up, unswervingly take the road of developing the province through the application of science and technology, and strive to achieve a breakthrough in adjusting the structure and improving efficiency. The major idea is to resolve the 12 key issues that involve many fields to lead the work in all fields. The 12 key issues are to bring economic work to the track focusing on improving economic efficiency; to invigorate large and medium-sized enterprises; to strengthen the fundamental position of agriculture, facilitate the four coordinations, and develop the county economy; to adjust the investment pattern, product mix, and the organizational structure of enterprises; to establish a social security system focusing on unemployment insurance; to establish a system for accumulating funds for enterprises to achieve technological advances; to reform the housing system; to resolve the difficulties in selling farm and sideline products; to open wider to the outside world, with the focus on expanding economic relations and trade with the Soviet Union; to intensify socialist ideological education; to improve democratic politics and strengthen the comprehensive measures for improving public security; and to intensify efforts to build the leading bodies which are honest and practical in doing work.

The participants discussed and approved the provincial party committee's summary of the 1991 work, its major points for 1992, and its opinions on conducting socialist ideological education in rural areas. They discussed and revised Heilongjiang's several opinions on promoting the county economy; its 1992 plans for developing agriculture through the application of science and technology and the promotion of education; its program to experiment with the unified plans for coordinating scientific, technological, and educational work with agriculture; and its decision on the several questions concerning construction of water conservancy projects. It was decided at the session that the Heilongjiang CPC Congress be held next May.

Through its resolution, the session urged the people throughout the province, especially leading cadres and all the Communist Party members, to adhere to the party's basic line, lift their spirit, enhance their confidence, emancipate their minds, face up to difficulties to make progress, improve work styles, carry out work in a down-to-earth manner, continuously open up a new situation in the work in various fields, and usher in the 14th party congress with practical deeds.

#### **Sun Weiben Commends Advanced Units, Individuals**

SK2612043291 Harbin Heilongjiang People's Radio Network in Mandarin 1000 GMT 24 Dec 91

[Excerpts] The provincial commendation meeting to honor advanced units and model individuals emerging

on the agricultural front opened in Harbin on the morning of 24 December. The representatives of advanced units and model individuals emerging on the agricultural front of various localities were full of vigor and got together happily.

Attending the commendation meeting and presenting medals and certificates to the representatives were Sun Weiben, Shao Qihui, Wang Zhao, Ma Guoliang, Wang Haiyan, Chen Yunlin, Xie Yong, Meng Qingxiang, Shan Rongfan, Tian Fengshan, Zhang Xianglin, he Shoulun, Wang Yusheng, Du Xianzhong, Dai Moan, Sun Kuiwen, and Quan Yuxiang. [passage omitted]

Ma Guoliang, deputy secretary of the provincial party committee, presided over the commendation meeting, at which Governor Shao Qihui delivered a speech in which he stated that the key to placing rural work on the track of readjusting the structure and increasing economic results in 1992 lies in doing a good job in readjusting the structure. In readjusting the structure of planting production, we should have our eyes on stably increasing the output of grains, maintaining proper growth, concentrating our efforts on making reasonable arrangements for grain production, and on ensuring the higher economic results of cash crops. [passage omitted]

Shao Qihui pointed out in his speech that efforts should be made to carry out overall arrangement and integration among agriculture, science, and education. The general demand for 1992 in this regard is to implement the spirit of the on-the-spot conference held in Mohe County on popularizing the experience gained by the county in this regard; to do a good job earnestly in organizing various circles to enforce the province's trial plan for carrying out overall arrangement and integration among agriculture, science, and education; and to implement, in a down-to-earth manner, the principle of carrying out overall arrangement and integration among agriculture, science, and education ideologically and organizationally. [passage omitted]

Shao Qihui urged in his speech that the party and government organs at all levels put the tasks of building water conservancy works on their important schedule, to make all out efforts to deal with the current problem for which peasants are showing the greatest concern with regard to raising sufficient funds for purchasing farm and sideline products, to enhance further the activities of helping the poor areas, and to do a good job in conducting fiscal-year inspection of the enforcement of laws for relieving peasants' burdens. The provincial level departments concerned should regard the work of vigorously supporting agriculture as their duty and make realistic arrangements for the work.

#### **Shao Qihui Presides at Planning Conference**

SK2612065891 Harbin Heilongjiang People's Radio Network in Mandarin 1000 GMT 25 Dec 91

[Text] At the provincial planning conference, which opened today, Vice Governor Chen Yunlin gave a

speech to put forward the guiding ideas for arranging next year's plans, with adjustment of the structure and improvement of efficiency as the focus, with promotion of scientific and technological advances as the basic way, and with in-depth reform and opening wider to the outside world as the motivation; to make arduous efforts; practice economy; act according to our capacity; do our best; and strive for notable progress in economic and social undertakings.

Provincial Governor Shao Qihui presided over today's session.

The focus of next year's plans is agricultural development, with the total output of grain, soybeans, and tubers preliminarily fixed at 21 billion kg, and the agricultural output value at a 3.5 percent increase over this year; to accelerate the adjustment of the industrial structure and improve economic efficiency, with the province's industrial output value planned to increase by 5.5 percent next year, the ratio of profits and taxes created by a certain amount of funds by 1.5 percentage points, and per-capita productivity by 3.5 percent; to change the downturn in economic efficiency and strive to reduce the stockpiled manufactured goods of enterprises at and above the county level which carry out independent accounting system by 35 percent; to increase the province's revenues by 4 percent; to strive to develop tertiary industry and enliven the circulation of commodities through every possible means; to greatly develop the county economy and the urban and rural collective economy; and to use exports to promote industrial development and strive for a 3-percent increase in the province's volume of exports.

The provincial planning conference was held simultaneously with the conference on using exports to lead and support industrial production. Attending were Comrades Wang Zhao, Zhang Xiangling, He Shoulun, Dai Moan, and Sun Kuiwen.

#### **Heilongjiang Advisory Group Holds Plenary Session**

*SK2412131191 Harbin Heilongjiang People's Radio  
Network in Mandarin 1000 GMT 23 Dec 91*

[Text] The provincial advisory group held a plenary session today to conscientiously implement the guidelines of the Eighth Plenary Session of the 13th CPC Central Committee and the guidelines of the eighth enlarged plenary session of the sixth provincial party committee, and to offer suggestions and opinions on further strengthening the province's agriculture and rural work in line with the province's reality.

The session was presided over by Zhang Xiangling, director of the provincial advisory group. The comrades participating in the session unanimously maintained that the decision of the Eighth Plenary Session of the 13th CPC Central Committee on further strengthening

agriculture and rural work is a programmatic document, indicates the direction of our country's agricultural development in the 1990's, and thus is of strategic significance. The report made by Sun Weiben, secretary of the provincial party committee, at the eighth enlarged plenary session of the sixth provincial party committee touches upon matters in all fields. What he emphasized in the report is very relevant as a specific manifestation of the guidelines of the central authorities.

Participants unanimously pledged to offer advice and suggestions to invigorate further the province's agriculture and rural work under the guidelines of the Eighth Plenary Session of the 13th CPC Central Committee, by closely centering on the central work of the provincial party committee.

During the discussion, participants stressed that all party organizations and departments should conscientiously grasp the implementation of the guidelines of the Eighth Plenary Session of the 13th CPC Central Committee, and firmly and realistically carry out the decision of the central authorities and the guidelines of the plenary session of the provincial party committee. Leading cadres at all levels should change their work style. They should go deep into the grass-roots units and peasant households to investigate, study, and solve practical problems in order to translate the decision of the central authorities and the guidelines of the plenary session of the provincial party committee into practical productive forces.

#### **Arsonist Sets Fire in Harbin, Killing Four**

*SK1612102191 Harbin Heilongjiang People's Radio  
Network in Mandarin 1000 GMT 14 Dec 91*

[Text] In the early morning hours of 14 December, an arson took place in Harbin. The fire brought calamity to 12 households, and caused four deaths and five injuries. Arsonist Wang Mingli was captured while fleeing.

Arsonist Wang Mingli is 57 years old, and is a retired worker of the Harbin City Water Drainage Management Section. Wang Mingli committed arson with malicious pretense because his son was stabbed and wounded by a certain person living at the No. 5 residential building on (Yaman) Street, in Harbin's Daoli District.

At 0207 on 14 December, Wang Mingli placed an oil tube filled with 3 kg of gasoline in a plank shed on the first floor of the No. 5 residential building on (Yaman) Street, and lit the tube. The fire spread rapidly everywhere.

After receiving report of the fire, the Harbin Public Security Fire Brigade immediately assembled seven fire brigades to put out the fire. The fire was put out at about 0330. Medical personnel of the Harbin City People's Court also rushed to the scene to assist the victims.

**Li Calls for Nonpartisan Constitutional Reform***OW2612092391 Taipei CNA in English 0805 GMT  
26 Dec 91*

[Text] Taipei, Dec. 26 (CNA)—Claiming that constitutional amendment will bear greatly on the future development of the nation, President Li Teng-hui said Wednesday that there will be no room for partisan or individual interests in the amendment work.

"The success of constitutional reform will serve as a bridge over which we will march toward national unification," the president said in an address to a rally marking Constitution Day.

He saluted retiring senior members of parliament, and hoped newly elected National Assembly members will join incumbents in completing the historic work next year of amending the Constitution.

Li reiterated the government's firm determination to pursue constitutional democracy in spite of all possible hindrances and difficulties.

"We have been resolute, and will remain even more so in the future," President Li said.

Later, he attended a cocktail party held in honor of senior parliamentarians who will retire at the end of this year, after four decades in office.

The president presented Kuang Hua medals to the retirees in recognition of their contribution to national development. All five yuan presidents and other ranking government officials were present to witness the award ceremony.

Hsieh Lung-sheng, secretary general of the Kuomintang caucus in the National Assembly, said the Second National Assembly will open at the Chung Shan Building on Yangmingshan on March 20 next year.

**Control Yuan Removes Bank Officers Over Scandal***OW2412095191 Taipei CNA in English 0818 GMT  
24 Dec 91*

[Text] Taipei, Dec. 24 (CNA)—After many twists and turns, the Control Yuan finally approved a record-setting impeachment proposal Monday, with as many as 45 staffers of four provincial government-run banks impeached for malfeasance in a lending scandal involving a now defunct business group.

A 13-member committee of the country's highest watchdog body voted 12-1 to impeach nine managers and 36 clerks of Hua Nan, Chang Hwa and First Commercial Banks and the Cooperative Bank of Taiwan. It was the largest impeachment proposal ever initiated by the Control Yuan.

The impeachment motion charged the bank staffers with failing to conduct a strict credit investigation before

granting sizable loans in 1989 to the Li Kuo Group, formed by several trading firms.

The officers' malfeasance cost the national coffers more than 400 million NT [new Taiwan] dollars in bad debt, the impeachment paper claimed. The Li Kuo Group went bankrupt last year without repaying most of the money it had borrowed from the four banks.

Based on the impeachment, the Judicial Yuan's Committee on the Discipline of Public Functionaries will determine what punishment the 45 bank officers should receive. The penalties can range from a warning to dismissal from their current posts.

The prosecutor's office of the Supreme Court will also investigate whether or not the impeached officers had violated the criminal code and will mete out appropriate punishment for the responsible officers.

The impeachment was proposed by Chen Han-chen in October following several months of investigation. The approval came after a screening session on the proposal had been aborted four times.

In approving the impeachment proposal, the 13-member committee dropped impeachment proceedings against some Finance Ministry and Central Bank of China officials. Chen originally proposed that the officials be impeached for failing to adequately supervise the lending operations of the four government-run banks.

Chen, who is among the 600-odd senior central parliamentarians required to step down before the end of December, said he was happy that his impeachment proposal could be passed before he retired.

**Taiwan Records World-High Excess Savings Rate***OW2412103891 Taipei CNA in English 0747 GMT  
24 Dec 91*

[Text] Taipei, Dec. 24 (CNA)—Savings in the Republic of China are among the world's highest, according to the Directorate General of Budget, Accounting and Statistics (DGBAS).

DGBAS said the nation's excess savings (savings after domestic capital investments have been deducted from total national savings) ratio topped the world between 1985 and 1989 at 16.92 percent, much higher than second-placed Singapore's 4.58 percent and the OECD average of a negative 1.36 percent. The average national savings ratio was 36.96 percent, second only to that of Singapore.

Quoting an Organization of Economic Cooperation and Development (OECD) report, a DGBAS official said the average national savings rate of OECD member nations stood at 20.91 percent in 1985-98 with Japan topping the list at 32.51 percent and with Ireland and the United States at the bottom with 14.6 percent and 15.81 percent respectively.



### Investment Rate Seen Reaching 10-Year High

OW2612085991 Taipei CNA in English 0812 GMT  
26 Dec 91

[Text] Taipei, Dec. 26 (CNA)—Powered by the six-year National Development Plan, the Republic of China's public and private investment rate is expected to top 23.6 percent in 1992, a record ten-year high, the Council for Economic Planning and Development (CEPD) predicted Wednesday.

The relatively high investment rate will also slash the nation's excess savings ratio to a low 5.64 percent, thus effectively improving a long-existing imbalance in economic development, a CEPD official said.

CEPD Vice Chairman Yeh Wan-an said the nation's overemphasis on exports has resulted in trade friction with foreign nations and domestic monetary disorder.

The public and private investment rate in Taiwan dropped to a low of 17.12 percent, and the excess savings ratio rose to a record high of 21.34 percent in 1986.

Yeh said the government has tried hard in recent years to lower the nation's excess savings ratio by increasing domestic demand and investments. The just-begun six-year National Development Plan will help the nation digest both its excess savings and the aggregate trade surplus which now exceeds 10 billion U.S. dollars, he said.

Excess savings are a nation's savings after domestic capital investments have been deducted from total national savings.

### Chien Praises Gorbachev; Readies Food Aid

OW2612081991 Taipei CNA in English 0748 GMT  
26 Dec 91

[Text] Taipei, Dec. 26 (CNA)—Foreign Minister Fredrick Chien Wednesday praised former Soviet President Mikhail Gorbachev as one of the towering figures of modern times.

Although Gorbachev has resigned from his post, Chien noted that his place in history is secure.

"Gorbachev's efforts to end the cold war peacefully and to reform the rotting Soviet system have won him a niche in history," the minister explained.

Chien pointed out that the political map of the world has changed fundamentally since Gorbachev set off the juggernaut of reform more than five years ago. The Berlin Wall has fallen and the 40-year-old cold war has ended; communism has been declared dead and the people chained by communism in the former Soviet Union and Eastern Europe are free once again.

"All these achievements have been possible primarily because of Gorbachev," Chien observed. "For that," he added, "Gorbachev has won widespread respect and will be remembered as a great leader."

Meanwhile, a Foreign Ministry official said Wednesday that in addition to food aid, the Republic of China is considering offering other assistance to the newly independent republics of the former Soviet Union.

The government had earlier decided to extend food aid to the former Soviet republics which are suffering from a dearth of food because of the disintegration of the former communist economic system.

The official reported that Taipei is ready to distribute food aid as soon as the political situation in the Commonwealth of Independent States, which has replaced the defunct Soviet Union, stabilizes. Taiwan will then deliver foodstuffs to the new alliance of the former Soviet republics.

The official denied, however, that the United States had asked Taipei through diplomatic channels to offer aid to the Russians.

Taipei formed a supraministerial task force earlier this year to promote substantive Sino-Soviet relations.

### First Soviet Automobile To Enter Taiwan Market

OW2312101291 Taipei CNA in English 0753 GMT  
23 Dec 91

[Text] Taipei, Dec. 23 (CNA)—The first Soviet Union-made passenger car will make its debut in Taipei at an automobile exhibition late this month.

The 1,600-c.c. [cubic centimeter] Niva, made by the Russian Federation's Lada Manufacturing Company, is entering the Taiwan market as the former communist empire falls apart.

Tsai Ming-tsung, whose Taiwan Lada Company imported the car, said it will be a significant event for trade relations between the Republic of China and the "Soviet Union."

Tsai noted that the Russians have been vigorously seeking foreign markets in spite of domestic political turmoil.

Tsai's company hopes the Soviet car will win a niche in the local multi-purpose car market. The Niva, adapted to survive as a cargo and leisure car, will sell for about 400,000 NT [new Taiwan] dollars (15,500 U.S. dollars) here.

Other car dealers, however, are not optimistic about the market prospect for the Niva as local consumers are demanding and already have a great variety of choices available to them.

They said the only advantage East European cars have here are their thick steel construction and their durability.

**Taiwan Enterprises in 'Going to Vietnam' Project**

OW2412103391 Taipei CNA in English 0754 GMT  
24 Dec 91

[Text] Taipei, Dec. 24 (CNA)—The Taiwan Sugar Company and Taiwan Salt Works will spearhead key ROC [Republic of China] investments in Vietnam under a "Going to Vietnam" project, the Industrial Development Bureau (IDB) said Monday.

The project is a part of government efforts to limit Taiwan's overreliance on Mainland Chinese markets.

IDB Deputy Director S.Y. Chen, who recently led Taiwan manufacturers in a week-long visit to Vietnam, said, however, that ROC investors will still have to wait for Vietnam to improve its investment climate.

Chen noted that the investment climate will improve after the formal signing of a bilateral investment guarantee agreement, the resumption of air links between the two countries, and the opening of official offices in each other's countries.

He added that if everything goes well, investment in Vietnam will start in the first half of 1992 at the earliest.

Hen quoted Nguyen Van Ich, vice chairman of the Vietnam State Committee for Cooperation and Investment, as saying that Vietnamese authorities are drafting a bilateral investment guarantee agreement, but dare not openly discuss it for political reasons.

**Government Planning To Open Cambodia Office**

OW2612090891 Taipei CNA in English 0752 GMT  
26 Dec 91

[Text] Taipei, Dec. 26 (CNA)—The government is planning to open an economic and cultural office in Cambodia now that Cambodia has signaled that it would like to increase trade relations with Taiwan, foreign affairs officials said Wednesday.

The officials said the office may be modeled on the ones that have been set up in the several ASEAN (Association of the Southeast Asian Nations) countries.

They noted that Cambodia has urgent reconstruction needs after years of civil war. The United Nations and Japan have expressed their wishes to help in the reconstruction. An international conference on Cambodia will be held in Japan early next year to coordinate efforts to rebuild the war-torn country.

The officials said that Cambodia has shown keen interest in developing trade relations with the ROC [Republic of China] and would especially welcome investments by Taiwan manufacturers.

They noted that Cambodia with its rich resources should be a good place for investments as long as it can maintain a stable, peaceful environment.

But they also voiced concern that Peking might try to intervene as Taiwan and Cambodia increase contacts, so they could not be sure when the office in Cambodia will open.

**European Trade Surplus Grows; Imports Stressed**

OW2612092191 Taipei CNA in English 0816 GMT  
26 Dec 91

[Text] Taipei, Dec. 26 (CNA)—As the Republic of China's trade surplus with Europe is growing rapidly, domestic manufacturers are being urged to increase imports from Europe to correct the trade imbalance with that part of the world.

The Board of Foreign Trade (BOFT) said two-way trade between Taiwan and Europe in the first 11 months of this year hit 23 billion U.S. dollars, a 17.3 percent of the nation's total trade.

During the period, Taiwan's trade surplus with Europe climbed to 3.7 billion U.S. dollars, up 2.69 times from last year, BOFT added.

To avoid trade friction with European countries, BOFT urged manufacturers here to import more from Europe.

It said imports from Europe are chiefly machinery and parts.

BOFT said the manufacturers need to know more about the fluctuation of European currencies to cut export risks.

**Taiwan, Belgium Discuss Direct Aviation Links**

OW2412104591 Taipei CNA in English 0744 GMT  
24 Dec 91

[Text] Taipei, Dec. 24 (CNA)—If all goes well in a second round of talks, the Republic of China [ROC] and Belgium may launch direct flights between the two countries next year, a civil aviation official said Monday.

Yuan Hsing-yuan, director general of the Civil Aeronautics Administration, made the prediction upon his return from Belgium.

Yuan led a delegation to visit Belgium last Wednesday. During his stay in Brussels, he held talks with ranking Belgium officials on Dec. 19-20.

Yuan said that although both sides have every intention of opening direct air links, there are still some technical problems to be overcome.

He added that the second round of talks might be held in March or April in Taipei.

Yuan said that ROC is currently working on opening direct flights to London and Paris, which he hoped would follow soon after the opening of direct air links between Taipei and Brussels.

**New Foreign Relations Association Planned**

OW2412094191 Taipei CNA in English 0757 GMT  
24 Dec 91

[Text] Taipei, Dec. 24 (CNA)—A non-profit organization devoted to promoting friendly relations between the Republic of China and other countries will be established early next year.

The "Republic of China Foreign Relations Association," will try to pool the wisdom and strength of domestic

scholars, entrepreneurs, and journalists to help promote academic and other exchanges with foreign countries.

The board of directors of the association will soon be named. Sun Chen, president of the National Taiwan University, and Douglas H.T. Hsu, general manager of Far East Textile Company, are serving as conveners of the association.

Foreign Minister Fredrick F. Chien Monday fully endorsed the formation of the organization. He said the association will contribute to the promotion of the nation's foreign relations.



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